

Senate File 2420 - Introduced

SENATE FILE _____
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2389)
(SUCCESSOR TO SSB 3267)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to and increasing motor vehicle and trailer
2 registration fees and title fees, allocating new revenues from
3 fees to the TIME=21 fund, requiring the department of
4 transportation to conduct an analysis of TIME=21 funding and a
5 study of public transit funding, increasing the motorcycle
6 operator's license fee and allocating the increased revenue to
7 the motorcycle rider education fund, reallocating certain fees
8 collected by the department of transportation, repealing the
9 use tax on vehicles subject to registration and the use tax on
10 certain leased motor vehicles, establishing a fee for new
11 registration of vehicles, providing penalties, and providing
12 effective and applicability dates.
13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
14 TLSB 6422SZ 82
15 dea/nh/24

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DIVISION I

MOTOR VEHICLES

1 1
1 2
1 3 Section 1. Section 312.2, Code Supplement 2007, is amended
1 4 by adding the following new subsection:
1 5 NEW SUBSECTION. 19. a. The treasurer of state, before
1 6 making the allotments provided for in this section, shall
1 7 credit annually to the TIME=21 fund created in section 312A.2,
1 8 the revenue accruing to the road use tax fund from annual
1 9 motor vehicle registration fees for passenger cars,
1 10 multipurpose vehicles, and motor trucks in excess of three
1 11 hundred ninety-two million dollars annually.
1 12 b. This subsection is repealed June 30, 2028.
1 13 Sec. 2. Section 321.1, Code 2007, is amended by adding the
1 14 following new subsection:
1 15 NEW SUBSECTION. 7A. "Business=trade truck" means a motor
1 16 truck with an unladen weight of ten thousand pounds or less
1 17 which is owned by a corporation, limited liability company, or
1 18 partnership or by a person who files a schedule C or schedule
1 19 F form with the federal internal revenue service and which is
1 20 eligible for depreciation under section 167 of the Internal
1 21 Revenue Code. If the motor truck is a leased vehicle, the
1 22 motor truck is a business=trade truck only if the lessee is a
1 23 corporation, limited liability company, or partnership and the
1 24 truck is used primarily for purposes of the business
1 25 operations of the corporation, limited liability company, or
1 26 partnership or the lessee is a person who files a schedule C
1 27 or schedule F form with the federal internal revenue service
1 28 and the truck is used primarily for purposes of the person's
1 29 own business or farming operation.
1 30 Sec. 3. Section 321.109, subsection 1, paragraph a, Code
1 31 2007, is amended to read as follows:
1 32 a. The annual fee for all motor vehicles including
1 33 vehicles designated by manufacturers as station wagons, ~~and~~
1 34 1993 and subsequent model ~~years for year~~ multipurpose
1 35 vehicles, ~~and 2010 and subsequent model year motor trucks with~~
2 1 ~~an unladen weight of ten thousand pounds or less, except motor~~
2 2 ~~trucks registered under section 321.122, business=trade~~
2 3 ~~trucks, special trucks, motor homes, ambulances, hearses,~~
2 4 ~~motorcycles, motorized bicycles, and 1992 and older model~~
2 5 ~~years for year~~ multipurpose vehicles, shall be equal to one
2 6 percent of the value as fixed by the department plus forty
2 7 cents for each one hundred pounds or fraction thereof of

weight of vehicle, as fixed by the department. The weight of a motor vehicle, fixed by the department for registration purposes, shall include the weight of a battery, heater, bumpers, spare tire, and wheel. Provided, however, that for any new vehicle purchased in this state by a nonresident for removal to the nonresident's state of residence the purchaser may make application to the county treasurer in the county of purchase for a transit plate for which a fee of ten dollars shall be paid. And provided, however, that for any used vehicle held by a registered dealer and not currently registered in this state, or for any vehicle held by an individual and currently registered in this state, when purchased in this state by a nonresident for removal to the nonresident's state of residence, the purchaser may make application to the county treasurer in the county of purchase for a transit plate for which a fee of three dollars shall be paid. The county treasurer shall issue a nontransferable certificate of registration for which no refund shall be allowed; and the transit plates shall be void thirty days after issuance. Such purchaser may apply for a certificate of title by surrendering the manufacturer's or importer's certificate or certificate of title, duly assigned as provided in this chapter. In this event, the treasurer in the county of purchase shall, when satisfied with the genuineness and regularity of the application, and upon payment of a fee of ten dollars, issue a certificate of title in the name and address of the nonresident purchaser delivering the title to the owner. If there is a security interest noted on the title, the county treasurer shall mail to the secured party an acknowledgment of the notation of the security interest. The county treasurer shall not release a security interest that has been noted on a title issued to a nonresident purchaser as provided in this paragraph. The application requirements of section 321.20 apply to a title issued as provided in this subsection, except that a natural person who applies for a certificate of title shall provide either the person's social security number, passport number, or driver's license number, whether the license was issued by this state, another state, or another country. The provisions of this subsection relating to multipurpose vehicles are effective ~~January 1, 1993~~, for all 1993 and subsequent model years. The annual registration fee for multipurpose vehicles that are 1992 model years and older shall be in accordance with section 321.124.

Sec. 4. Section 321.113, Code 2007, is amended to read as follows:

321.113 AUTOMATIC REDUCTION.

1. The annual registration fee for a motor vehicle shall not be automatically reduced under this section unless the ~~registration~~ fee is based on the value and weight of the motor vehicle as provided in section 321.109, subsection 1.

2. If a motor vehicle is more than ~~five~~ seven model years old, the part of the annual registration fee that is based on the value of the vehicle shall be seventy-five percent of the rate as fixed when the motor vehicle was new and the total fee shall not be less than fifty dollars; except that if the registration is a renewal for a vehicle registered to the same owner prior to January 1, 2009, the annual registration fee shall not be more than the fee paid for the previous registration year.

3. If a motor vehicle is more than ~~six~~ nine model years old, the part of the annual registration fee that is based on the value of the vehicle shall be fifty percent of the rate as fixed when the motor vehicle was new and the total fee shall not be less than fifty dollars; except that if the registration is a renewal for a vehicle registered to the same owner prior to January 1, 2009, the annual registration fee shall not be more than the fee paid for the previous registration year.

4. ~~If a 1994 model year or newer motor vehicle is nine model years old or older the registration fee is thirty-five dollars. For purposes of determining the portion of the registration fee under this subsection that is based upon the value of the motor vehicle, sixty percent of the registration fee is attributable to the value of the vehicle.~~

5. ~~a. If a 1993 model year or older motor vehicle has been titled in the same person's name since the vehicle was new or the title to the vehicle was transferred prior to January 1, 2002, the part of the registration fee that is based on the value of the vehicle shall be ten percent of the rate as fixed when the motor vehicle was new.~~

b. If the title of a 1993 model year or older motor

~~4 19 vehicle is transferred to a new owner or if such a motor~~
~~4 20 vehicle is brought into the state on or after January 1, 2002,~~
~~4 21 the registration fee shall not be based on the weight and list~~
~~4 22 price of the motor vehicle, but shall be as follows:~~
4 23 (1) For a motor vehicle that is model year
4 24 1969 or older:..... \$ 16.00
4 25 (2) For a motor vehicle that is model year
4 26 1970 through 1989:..... \$ 23.00
4 27 (3) For a motor vehicle that is model year
4 28 1990 through 1993:..... \$ 27.00
4 29 For purposes of determining the portion of the registration
4 30 fee under this paragraph "b" that is based upon the value of
4 31 the motor vehicle, sixty percent of the registration fee is
4 32 attributable to the value of the vehicle.
4 33 4. a. Except as provided in paragraph "b", if a motor
4 34 vehicle is twelve model years old or older, the annual
4 35 registration fee is fifty dollars; except that if the
5 1 registration is a renewal for a vehicle registered to the same
5 2 owner prior to January 1, 2009, the annual registration fee
5 3 shall not be more than the fee paid for the previous
5 4 registration year.
5 5 b. If the registration is a renewal for a motor vehicle
5 6 registered as an antique vehicle by the same owner prior to
5 7 January 1, 2009, the annual registration fee shall be
5 8 twenty-three dollars for a motor vehicle that is model year
5 9 1970 through 1983 and sixteen dollars for a motor vehicle that
5 10 is model year 1969 or older.
5 11 c. For purposes of determining the portion of an annual
5 12 registration fee under paragraph "a" or "b" that is based upon
5 13 the value of the motor vehicle, sixty percent of the annual
5 14 registration fee is attributable to the value of the vehicle.
5 15 Sec. 5. NEW SECTION. 321.120 BUSINESS=TRADE TRUCKS.
5 16 1. The annual registration fee for a business=trade truck
5 17 shall be determined pursuant to section 321.122, subsection 1,
5 18 paragraph "a".
5 19 2. Upon application for a new registration, an owner who
5 20 registers a motor vehicle as a business=trade truck shall be
5 21 required to provide proof or affirm that the vehicle meets the
5 22 definition of a business=trade truck. The department may
5 23 adopt rules as necessary to prescribe the documentation
5 24 required of the applicant as proof or affirmation under this
5 25 subsection but shall not require that such documentation be
5 26 notarized. If requested by the department of transportation
5 27 or a county treasurer, the department of revenue shall confirm
5 28 or refute, according to the most recent records available,
5 29 that an applicant for registration of a business=trade truck
5 30 is either a corporation, limited liability company, or
5 31 partnership or a person who files a schedule C or schedule F
5 32 form for federal income tax purposes and that the corporation,
5 33 limited liability company, partnership, or person is allowed a
5 34 depreciation deduction with respect to the vehicle under
5 35 section 167 of the Internal Revenue Code.
6 1 3. Upon approval of the application and payment of the
6 2 proper fees, the county treasurer shall issue registration
6 3 plates for the vehicle which distinguish the vehicle as a
6 4 business=trade truck.
6 5 4. If the department determines by audit or other means
6 6 that a person has registered a vehicle as a business=trade
6 7 truck that is not qualified for such registration, the person
6 8 shall be required to pay the difference between the regular
6 9 annual registration fees owed for the vehicle for each year
6 10 the vehicle was registered in violation of this section and
6 11 the fees actually paid.
6 12 5. If the department determines by audit or other means
6 13 that the person had knowingly registered a vehicle as a
6 14 business=trade truck that is not qualified for such
6 15 registration, the person shall be required to pay a penalty
6 16 for improper registration in the amount of seven hundred fifty
6 17 dollars for each registration year in which the vehicle was
6 18 registered in violation of this section, not to exceed two
6 19 thousand two hundred fifty dollars.
6 20 Sec. 6. Section 321.121, Code 2007, is amended to read as
6 21 follows:
6 22 321.121 SPECIAL TRUCKS FOR FARM USE.
6 23 1. a. Except as provided in paragraph "b", the annual
6 24 registration fee for a special truck with a gross weight of
6 25 six tons shall be one hundred dollars, and the annual
6 26 registration fee for a special truck with a gross weight
6 27 exceeding six tons but not exceeding eighteen tons shall be as
6 28 follows:
6 29

The annual

6 30	For a gross	And not	registration
6 31	weight exceeding:	exceeding:	fee shall be:
6 32	6 Tons	7 Tons	\$ 125
6 33	7 Tons	8 Tons	\$ 155
6 34	8 Tons	9 Tons	\$ 170
6 35	9 Tons	10 Tons	\$ 190
7 1	10 Tons	11 Tons	\$ 205
7 2	11 Tons	12 Tons	\$ 225
7 3	12 Tons	13 Tons	\$ 245
7 4	13 Tons	14 Tons	\$ 265
7 5	14 Tons	15 Tons	\$ 280
7 6	15 Tons	16 Tons	\$ 295
7 7	16 Tons	17 Tons	\$ 305
7 8	17 Tons	18 Tons	\$ 315

7 9 b. ~~The~~ If the registration is a renewal for a special
7 10 truck registered to the same owner prior to January 1, 2009,
7 11 the annual registration fee for a special truck shall be
7 12 eighty dollars for a gross weight of six tons, one hundred
7 13 dollars for a gross weight of seven tons, one hundred twenty
7 14 dollars for a gross weight of eight tons, and in addition,
7 15 fifteen dollars for each ton over eight tons and not exceeding
7 16 eighteen tons.

7 17 c. The registration fee for a special truck with a gross
7 18 weight registration exceeding eighteen tons but not exceeding
7 19 nineteen tons shall be three hundred twenty-five dollars and
7 20 for a gross weight registration exceeding nineteen tons but
7 21 not exceeding twenty tons the registration fee shall be three
7 22 hundred seventy-five dollars.

7 23 d. The additional registration fee for a special truck for
7 24 a gross weight registration in excess of twenty tons is
7 25 twenty-five dollars for each ton over twenty tons and not
7 26 exceeding thirty-two tons.

7 27 2. A person convicted of or found by audit to be using a
7 28 motor vehicle registered as a special truck for any purpose
7 29 other than permitted by section 321.1, subsection 76, shall,
7 30 in addition to any other penalty imposed by law, be required
7 31 to pay regular motor vehicle registration fees upon such motor
7 32 vehicle.

7 33 Sec. 7. Section 321.122, subsection 1, Code 2007, is
7 34 amended to read as follows:

7 35 1. The annual registration fee for truck tractors, road
8 1 tractors, and motor trucks, except 2010 and subsequent model
8 2 year motor trucks required to be registered under section
8 3 321.109 and motor trucks registered as special trucks, shall
8 4 be based on the combined gross weight of the vehicle or
8 5 combination of vehicles. All such trucks, truck tractors, or
8 6 road tractors registered under this section shall be
8 7 registered for a gross weight equal to or in excess of the
8 8 unladen weight of the vehicle or combination of vehicles. The
8 9 annual registration fee for such vehicles or combination of
8 10 vehicles, except special trucks, shall be ~~the applicable fee~~
8 11 under paragraph "a" or "b".

8 12 a. ~~(1) For a combined gross weight of three tons or less~~
~~8 13 sixty-five dollars and a vehicle which is more than ten model~~
~~8 14 years old fifty-five dollars and a vehicle which is more than~~
~~8 15 thirteen model years old forty-five dollars and a vehicle~~
~~8 16 which is more than fifteen years old thirty-five dollars For a~~
8 17 combined gross weight of three tons or less, the annual
8 18 registration fee is one hundred fifty dollars; for such a
8 19 vehicle more than seven model years old, one hundred twenty
8 20 dollars; for such a vehicle more than nine model years old,
8 21 one hundred dollars; and for such a vehicle twelve model years
8 22 old or older, fifty dollars.

8 23 ~~b. (2)~~ For a combined gross weight exceeding three tons,
8 24 the annual registration fee shall be as set forth in the
8 25 following schedule:

8 26	For a combined	And not	The annual
8 27	gross weight	exceeding:	registration
8 28	exceeding:		fee shall be:
8 29	3 Tons	4 Tons	\$ 80
8 30			<u>165</u>
8 31	4 Tons	5 Tons	\$ 90
8 32			<u>180</u>
8 33	5 Tons	6 Tons	\$ 105
8 34			<u>195</u>
8 35	6 Tons	7 Tons	\$ 130
9 1			<u>215</u>
9 2	7 Tons	8 Tons	\$ 165
9 3			<u>220</u>
9 4	8 Tons	9 Tons	\$ 200
9 5			<u>225</u>

9	6	9 Tons	10 Tons	\$	235
9	7	10 Tons	11 Tons	\$	270
9	8	11 Tons	12 Tons	\$	305
9	9	12 Tons	13 Tons	\$	340
9	10	13 Tons	14 Tons	\$	375
9	11	14 Tons	15 Tons	\$	445
9	12	15 Tons	16 Tons	\$	485
9	13	16 Tons	17 Tons	\$	525
9	14	17 Tons	18 Tons	\$	565
9	15	18 Tons	19 Tons	\$	610
9	16	19 Tons	20 Tons	\$	675
9	17	20 Tons	21 Tons	\$	715
9	18	21 Tons	22 Tons	\$	755
9	19	22 Tons	23 Tons	\$	795
9	20	23 Tons	24 Tons	\$	835
9	21	24 Tons	25 Tons	\$	965
9	22	25 Tons	26 Tons	\$	1,010
9	23	26 Tons	27 Tons	\$	1,060
9	24	27 Tons	28 Tons	\$	1,105
9	25	28 Tons	29 Tons	\$	1,150
9	26	29 Tons	30 Tons	\$	1,200
9	27	30 Tons	31 Tons	\$	1,245
9	28	31 Tons	32 Tons	\$	1,295
9	29	32 Tons	33 Tons	\$	1,340
9	30	33 Tons	34 Tons	\$	1,415
9	31	34 Tons	35 Tons	\$	1,465
9	32	35 Tons	36 Tons	\$	1,510
9	33	36 Tons	37 Tons	\$	1,555
9	34	37 Tons	38 Tons	\$	1,605
9	35	38 Tons	39 Tons	\$	1,650
10	1	39 Tons	40 Tons	\$	1,695

10 2 b. If the registration is a renewal for a motor vehicle
10 3 with a combined gross weight of nine tons or less registered
10 4 to the same owner prior to January 1, 2009, the following

10 5 applies:

10 6 (1) For a combined gross weight of three tons or less, the
10 7 annual registration fee is sixty-five dollars; for such a
10 8 vehicle which is more than ten model years old, fifty-five
10 9 dollars; for such a vehicle which is more than thirteen model
10 10 years old, forty-five dollars; and for such a vehicle which is
10 11 more than fifteen model years old, thirty-five dollars.

10 12 (2) For a combined gross weight exceeding three tons but
10 13 not exceeding nine tons, the annual registration fee shall be
10 14 as set forth in the following schedule:

<u>For a combined</u>	<u>And not</u>	<u>The annual</u>
<u>gross weight</u>	<u>exceeding:</u>	<u>registration</u>
<u>10 17 exceeding:</u>		<u>fee shall be:</u>
10 18 <u>3 Tons</u>	10 18 <u>4 Tons</u>	10 18 <u>\$ 80</u>
10 19 <u>4 Tons</u>	10 19 <u>5 Tons</u>	10 19 <u>\$ 90</u>
10 20 <u>5 Tons</u>	10 20 <u>6 Tons</u>	10 20 <u>\$ 105</u>
10 21 <u>6 Tons</u>	10 21 <u>7 Tons</u>	10 21 <u>\$ 130</u>
10 22 <u>7 Tons</u>	10 22 <u>8 Tons</u>	10 22 <u>\$ 165</u>
10 23 <u>8 Tons</u>	10 23 <u>9 Tons</u>	10 23 <u>\$ 200</u>

10 24 c. For a combined gross weight exceeding forty tons, the
10 25 annual registration fee shall be one thousand six hundred
10 26 ninety-five dollars plus eighty dollars for each ton over
10 27 forty tons.

10 28 Sec. 8. Section 321.152, Code 2007, is amended to read as
10 29 follows:

10 30 321.152 ~~FEE FOR~~ COLLECTION FEES RETAINED BY COUNTY.

10 31 1. A county treasurer may retain for deposit in the county
10 32 general fund the following:

10 33 ~~1-~~ a. Four percent of the total collection for each
10 34 annual or semiannual vehicle registration and each duplicate
10 35 registration card or plate issued.

11 1 ~~2-~~ b. Two dollars and fifty cents from each fee collected
11 2 for certificates of title.

11 3 ~~3-~~ c. Forty percent of all fees collected for certified
11 4 copies of certificates of title.

11 5 ~~4-~~ d. Sixty percent of all fees collected for perfection
11 6 of security interests.

11 7 ~~5-~~ e. Twenty-five percent of each penalty collected for
11 8 improper business-trade truck registration under section

11 9 321.120, subsection 5.

11 10 2. The moneys retained under subsection 1 shall be
11 11 deducted, and reported to the department when the county
11 12 treasurer transfers the money collected under this chapter.
11 13 However, a deduction is not lawful unless the county treasurer
11 14 has complied with sections 321.24 and 321.153.

11 15 3. This section does not apply to fees collected or
11 16 retained by a county treasurer pursuant to participation in

11 17 county issuance of driver's licenses under chapter 321M.
11 18 Sec. 9. Section 422.20, subsection 3, unnumbered paragraph
11 19 1, Code 2007, is amended to read as follows:
11 20 Unless otherwise expressly permitted by section 8A.504,
11 21 section 421.17, subsections 22, 23, and 26, sections 252B.9,
11 22 321.120, 421.19, 421.28, 422.72, and 452A.63, and this
11 23 section, a tax return, return information, or investigative or
11 24 audit information shall not be divulged to any person or
11 25 entity, other than the taxpayer, the department, or internal
11 26 revenue service for use in a matter unrelated to tax
11 27 administration.

11 28 Sec. 10. Section 422.72, subsection 3, unnumbered
11 29 paragraph 1, Code 2007, is amended to read as follows:
11 30 Unless otherwise expressly permitted by section 8A.504,
11 31 section 421.17, subsections 22, 23, and 26, sections 252B.9,
11 32 321.120, 421.19, 421.28, 422.20, and 452A.63, and this
11 33 section, a tax return, return information, or investigative or
11 34 audit information shall not be divulged to any person or
11 35 entity, other than the taxpayer, the department, or internal
12 1 revenue service for use in a matter unrelated to tax
12 2 administration.

12 3 Sec. 11. EFFECTIVE DATE AND APPLICABILITY. This division
12 4 of this Act takes effect January 1, 2009, and applies to
12 5 vehicles registered for registration years beginning in 2009
12 6 and subsequent years.

12 7 DIVISION II

12 8 TITLE FEES

12 9 Sec. 12. Section 312.2, Code Supplement 2007, is amended
12 10 by adding the following new subsection:
12 11 NEW SUBSECTION. 20. a. The treasurer of state, before
12 12 making the allotments provided for in this section, shall
12 13 credit monthly to the TIME=21 fund created in section 312A.2,
12 14 an amount equal to ten dollars from each fee for issuance of a
12 15 certificate of title collected pursuant to sections 321.20;
12 16 321.20A; 321.23; 321.42; 321.46, other than a title issued for
12 17 a returned vehicle under section 322G.12; section 321.47; and
12 18 section 321.109 and an amount equal to eight dollars from each
12 19 fee collected for issuance of a certificate of title pursuant
12 20 to section 321.46 for a returned vehicle under section 322G.12
12 21 and from each fee collected for issuance of a salvage
12 22 certificate of title pursuant to section 321.52.

12 23 b. This subsection is repealed June 30, 2028.

12 24 Sec. 13. Section 321.20, subsection 1, unnumbered
12 25 paragraph 1, Code 2007, is amended to read as follows:
12 26 Except as provided in this chapter, an owner of a vehicle
12 27 subject to registration shall make application to the county
12 28 treasurer of the county of the owner's residence, or if a
12 29 nonresident, to the county treasurer of the county where the
12 30 primary users of the vehicle are located, or if a lessor of
12 31 the vehicle pursuant to chapter 321F which vehicle has a gross
12 32 vehicle weight of less than ten thousand pounds, to the county
12 33 treasurer of the county of the lessee's residence, or if a
12 34 firm, association, or corporation with vehicles in multiple
12 35 counties, the owner may make application to the county
13 1 treasurer of the county where the primary user of the vehicle
13 2 is located, for the registration and issuance of a certificate
13 3 of title for the vehicle upon the appropriate form furnished
13 4 by the department. However, upon the transfer of ownership,
13 5 the owner of a vehicle subject to the proportional
13 6 registration provisions of chapter 326 shall make application
13 7 for registration and issuance of a certificate of title to
13 8 either the department or the appropriate county treasurer.
13 9 The application shall be accompanied by a fee of ~~ten~~ twenty
13 10 dollars, and shall bear the owner's signature. A nonresident
13 11 owner of two or more vehicles subject to registration may make
13 12 application for registration and issuance of a certificate of
13 13 title for all vehicles subject to registration to the county
13 14 treasurer of the county where the primary user of any of the
13 15 vehicles is located. The owner of a mobile home or
13 16 manufactured home shall make application for a certificate of
13 17 title under this section from the county treasurer of the
13 18 county where the mobile home or manufactured home is located.
13 19 The application shall contain:

13 20 Sec. 14. Section 321.20A, subsection 1, Code 2007, is
13 21 amended to read as follows:

13 22 1. Notwithstanding other provisions of this chapter, the
13 23 owner of a commercial vehicle subject to the proportional
13 24 registration provisions of chapter 326 may make application to
13 25 the department or the appropriate county treasurer for a
13 26 certificate of title. The application for certificate of
13 27 title shall be made within thirty days of purchase or transfer

13 28 and shall be accompanied by a ~~ten~~ twenty dollar title fee and
13 29 the appropriate use tax. The department or the county
13 30 treasurer shall deliver the certificate of title to the owner
13 31 if there is no security interest. If there is a security
13 32 interest, the title, when issued, shall be delivered to the
13 33 first secured party. Delivery may be made using electronic
13 34 means.

13 35 Sec. 15. Section 321.23, subsections 1 and 4, Code 2007,
14 1 are amended to read as follows:

14 2 1. If the vehicle to be registered is a specially
14 3 constructed, reconstructed, or foreign vehicle, such fact
14 4 shall be stated in the application. A fee of ~~ten~~ twenty
14 5 dollars shall be paid by the person making the application
14 6 upon issuance of a certificate of title by the county
14 7 treasurer. For a specially constructed or reconstructed motor
14 8 vehicle subject to registration, the application shall be
14 9 accompanied by a statement from the department authorizing the
14 10 motor vehicle to be titled and registered in this state. The
14 11 department shall cause a physical inspection to be made of all
14 12 specially constructed or reconstructed motor vehicles, upon
14 13 application for a certificate of title by the owner, to
14 14 determine whether the motor vehicle complies with the
14 15 definition of specially constructed motor vehicle or
14 16 reconstructed motor vehicle in this chapter and to determine
14 17 that the integral component parts are properly identified and
14 18 that the rightful ownership is established before issuing the
14 19 owner the authority to have the motor vehicle registered and
14 20 titled. The purpose of the physical inspection under this
14 21 section is not to determine whether the motor vehicle is in a
14 22 condition safe to operate. The owner of a specially
14 23 constructed or reconstructed vehicle shall apply for a
14 24 certificate of title and registration for the vehicle at the
14 25 county treasurer's office within thirty days of the
14 26 inspection. For a foreign vehicle which has been registered
14 27 outside this state, the owner shall surrender to the treasurer
14 28 all registration plates, registration cards, and certificates
14 29 of title, or if the vehicle to be registered is from a
14 30 nontitle state, the evidence of foreign registration and
14 31 ownership as may be prescribed by the department except as
14 32 provided in subsection 2.

14 33 4. A vehicle which does not meet the equipment
14 34 requirements of this chapter due to the particular use for
14 35 which it is designed or intended, may be registered by the
15 1 department upon payment of appropriate fees and after
15 2 inspection and certification by the department that the
15 3 vehicle is not in an unsafe condition. A person is not
15 4 required to have a certificate of title to register a vehicle
15 5 under this subsection. If the owner elects to have a
15 6 certificate of title issued for the vehicle, a fee of ~~ten~~
15 7 twenty dollars shall be paid by the person making the
15 8 application upon issuance of a certificate of title. If the
15 9 department's inspection reveals that the vehicle may be safely
15 10 operated only under certain conditions or on certain types of
15 11 roadways, the department may restrict the registration to
15 12 limit operation of the vehicle to the appropriate conditions
15 13 or roadways. This subsection does not apply to snowmobiles as
15 14 defined in section 321G.1. Section 321.382 does not apply to
15 15 a vehicle registered under this subsection which is operated
15 16 exclusively by a person with a disability who has obtained a
15 17 persons with disabilities parking permit as provided in
15 18 section 321L.2, if the persons with disabilities parking
15 19 permit is carried in or on the vehicle and shown to a peace
15 20 officer on request.

15 21 Sec. 16. Section 321.42, subsection 2, paragraph a, Code
15 22 2007, is amended to read as follows:

15 23 a. If a certificate of title is lost or destroyed, the
15 24 owner or lienholder shall apply for a replacement copy of the
15 25 original certificate of title. The owner or lienholder of a
15 26 motor vehicle may also apply for a replacement copy of the
15 27 original certificate of title upon surrender of the original
15 28 certificate of title with the application. The application
15 29 shall be made to the department or county treasurer who issued
15 30 the original certificate of title. The application shall be
15 31 signed by the owner or lienholder and accompanied by a fee of
15 32 ~~ten~~ twenty dollars.

15 33 Sec. 17. Section 321.46, subsection 2, Code 2007, is
15 34 amended to read as follows:

15 35 2. Upon filing the application for a new registration and
16 1 a new title, the applicant shall pay a title fee of ~~ten~~ twenty
16 2 dollars and a registration fee prorated for the remaining
16 3 unexpired months of the registration year. A manufacturer

16 4 applying for a certificate of title pursuant to section
16 5 322G.12 shall pay a title fee of ~~two ten~~ dollars. However, a
16 6 title fee shall not be charged to a manufactured or mobile
16 7 home retailer applying for a certificate of title for a used
16 8 mobile home or manufactured home, titled in Iowa, as required
16 9 under section 321.45, subsection 4. The county treasurer, if
16 10 satisfied of the genuineness and regularity of the
16 11 application, and in the case of a mobile home or manufactured
16 12 home, that taxes are not owing under chapter 435, and that
16 13 applicant has complied with all the requirements of this
16 14 chapter, shall issue a new certificate of title and, except
16 15 for a mobile home, manufactured home, or a vehicle returned to
16 16 and accepted by a manufacturer as described in section
16 17 322G.12, a registration card to the purchaser or transferee,
16 18 shall cancel the prior registration for the vehicle, and shall
16 19 forward the necessary copies to the department on the date of
16 20 issuance, as prescribed in section 321.24. Mobile homes or
16 21 manufactured homes titled under chapter 448 that have been
16 22 subject under section 446.18 to a public bidder sale in a
16 23 county shall be titled in the county's name, with no fee, and
16 24 the county treasurer shall issue the title.

16 25 Sec. 18. Section 321.47, unnumbered paragraph 1, Code
16 26 2007, is amended to read as follows:

16 27 If ownership of a vehicle is transferred by operation of
16 28 law upon inheritance, devise or bequest, dissolution decree,
16 29 order in bankruptcy, insolvency, replevin, foreclosure or
16 30 execution sale, abandoned vehicle sale, or when the engine of
16 31 a motor vehicle is replaced by another engine, or a vehicle is
16 32 sold or transferred to satisfy an artisan's lien as provided
16 33 in chapter 577, a landlord's lien as provided in chapter 570,
16 34 a storage lien as provided in chapter 579, a judgment in an
16 35 action for abandonment of a manufactured or mobile home as
17 1 provided in chapter 555B, upon presentation of an affidavit
17 2 relating to the disposition of a valueless mobile, modular, or
17 3 manufactured home as provided in chapter 555C, or repossession
17 4 is had upon default in performance of the terms of a security
17 5 agreement, the county treasurer in the transferee's county of
17 6 residence or, in the case of a mobile home or manufactured
17 7 home, the county treasurer of the county where the mobile home
17 8 or manufactured home is located, upon the surrender of the
17 9 prior certificate of title or the manufacturer's or importer's
17 10 certificate, or when that is not possible, upon presentation
17 11 of satisfactory proof to the county treasurer of ownership and
17 12 right of possession to the vehicle and upon payment of a fee
17 13 of ~~ten twenty~~ dollars and the presentation of an application
17 14 for registration and certificate of title, may issue to the
17 15 applicant a registration card for the vehicle and a
17 16 certificate of title to the vehicle. A person entitled to
17 17 ownership of a vehicle under a decree of dissolution shall
17 18 surrender a reproduction of a certified copy of the
17 19 dissolution and upon fulfilling the other requirements of this
17 20 chapter is entitled to a certificate of title and registration
17 21 receipt issued in the person's name.

17 22 Sec. 19. Section 321.52, subsection 4, paragraph a, Code
17 23 Supplement 2007, is amended to read as follows:

17 24 a. A vehicle rebuilder or a person engaged in the business
17 25 of buying, selling, or exchanging vehicles of a type required
17 26 to be registered in this state, upon acquisition of a wrecked
17 27 or salvage vehicle, shall surrender the certificate of title
17 28 or manufacturer's or importer's statement of origin properly
17 29 assigned, together with an application for a salvage
17 30 certificate of title, to the county treasurer of the county of
17 31 residence of the purchaser or transferee within thirty days
17 32 after the date of assignment of the certificate of title for
17 33 the wrecked or salvage motor vehicle. This subsection applies
17 34 only to vehicles with a fair market value of five hundred
17 35 dollars or more, based on the value before the vehicle became
18 1 wrecked or salvage. Upon payment of a fee of ~~two ten~~ dollars,
18 2 the county treasurer shall issue a salvage certificate of
18 3 title which shall bear the word "SALVAGE" stamped or printed
18 4 on the face of the title in a manner prescribed by the
18 5 department. A salvage certificate of title may be assigned to
18 6 an educational institution, a new motor vehicle dealer
18 7 licensed under chapter 322, a person engaged in the business
18 8 of purchasing bodies, parts of bodies, frames or component
18 9 parts of vehicles for sale as scrap metal, a salvage pool, or
18 10 an authorized vehicle recycler licensed under chapter 321H.
18 11 An authorized vehicle recycler licensed under chapter 321H or
18 12 a new motor vehicle dealer licensed under chapter 322 may
18 13 assign or reassign an Iowa salvage certificate of title or a
18 14 salvage certificate of title from another state to any person,

18 15 and the provisions of section 321.24, subsection 5, requiring
18 16 issuance of an Iowa salvage certificate of title shall not
18 17 apply. A vehicle on which ownership has transferred to an
18 18 insurer of the vehicle as a result of a settlement with the
18 19 owner of the vehicle arising out of damage to, or unrecovered
18 20 theft of, the vehicle shall be deemed to be a wrecked or
18 21 salvage vehicle and the insurer shall comply with this
18 22 subsection to obtain a salvage certificate of title within
18 23 thirty days after the date of assignment of the certificate of
18 24 title of the vehicle.

18 25 Sec. 20. Section 321.109, subsection 1, paragraph a, Code
18 26 2007, is amended to read as follows:

18 27 a. The annual fee for all motor vehicles including
18 28 vehicles designated by manufacturers as station wagons, and
18 29 1993 and subsequent model years for multipurpose vehicles,
18 30 except motor trucks, motor homes, ambulances, hearses,
18 31 motorcycles, motorized bicycles, and 1992 and older model
18 32 years for multipurpose vehicles, shall be equal to one percent
18 33 of the value as fixed by the department plus forty cents for
18 34 each one hundred pounds or fraction thereof of weight of
18 35 vehicle, as fixed by the department. The weight of a motor
19 1 vehicle, fixed by the department for registration purposes,
19 2 shall include the weight of a battery, heater, bumpers, spare
19 3 tire, and wheel. Provided, however, that for any new vehicle
19 4 purchased in this state by a nonresident for removal to the
19 5 nonresident's state of residence the purchaser may make
19 6 application to the county treasurer in the county of purchase
19 7 for a transit plate for which a fee of ten dollars shall be
19 8 paid. And provided, however, that for any used vehicle held
19 9 by a registered dealer and not currently registered in this
19 10 state, or for any vehicle held by an individual and currently
19 11 registered in this state, when purchased in this state by a
19 12 nonresident for removal to the nonresident's state of
19 13 residence, the purchaser may make application to the county
19 14 treasurer in the county of purchase for a transit plate for
19 15 which a fee of three dollars shall be paid. The county
19 16 treasurer shall issue a nontransferable certificate of
19 17 registration for which no refund shall be allowed; and the
19 18 transit plates shall be void thirty days after issuance. Such
19 19 purchaser may apply for a certificate of title by surrendering
19 20 the manufacturer's or importer's certificate or certificate of
19 21 title, duly assigned as provided in this chapter. In this
19 22 event, the treasurer in the county of purchase shall, when
19 23 satisfied with the genuineness and regularity of the
19 24 application, and upon payment of a fee of ~~ten~~ twenty dollars,
19 25 issue a certificate of title in the name and address of the
19 26 nonresident purchaser delivering the title to the owner. If
19 27 there is a security interest noted on the title, the county
19 28 treasurer shall mail to the secured party an acknowledgment of
19 29 the notation of the security interest. The county treasurer
19 30 shall not release a security interest that has been noted on a
19 31 title issued to a nonresident purchaser as provided in this
19 32 paragraph. The application requirements of section 321.20
19 33 apply to a title issued as provided in this subsection, except
19 34 that a natural person who applies for a certificate of title
19 35 shall provide either the person's social security number,
20 1 passport number, or driver's license number, whether the
20 2 license was issued by this state, another state, or another
20 3 country. The provisions of this subsection relating to
20 4 multipurpose vehicles are effective January 1, 1993, for all
20 5 1993 and subsequent model years. The annual registration fee
20 6 for multipurpose vehicles that are 1992 model years and older
20 7 shall be in accordance with section 321.124.

20 8 Sec. 21. EFFECTIVE DATE. This division of this Act takes
20 9 effect January 1, 2009.

20 10 DIVISION III

20 11 TRAILER REGISTRATION FEES

20 12 Sec. 22. Section 312.2, Code Supplement 2007, is amended
20 13 by adding the following new subsection:

20 14 NEW SUBSECTION. 21. a. The treasurer of state, before
20 15 making the allotments provided for in this section, shall
20 16 credit monthly to the TIME=21 fund created in section 312A.2
20 17 an amount equal to ten dollars from each trailer registration
20 18 fee collected pursuant to section 321.123, subsection 1,
20 19 paragraph "a", subparagraph (1), twenty dollars from each
20 20 trailer registration fee collected pursuant to section
20 21 321.123, subsection 1, paragraph "a", subparagraph (2), and
20 22 one-third of the amount collected from trailer registration
20 23 fees pursuant to section 321.123, subsection 2.

20 24 b. This subsection is repealed June 30, 2028.

20 25 Sec. 23. Section 321.122, subsection 2, Code 2007, is

20 26 amended by striking the subsection.
20 27 Sec. 24. Section 321.123, Code 2007, is amended to read as
20 28 follows:
20 29 321.123 TRAILERS.
20 30 1. a. All trailers except farm trailers, mobile homes,
20 31 and manufactured homes, unless otherwise provided in this
20 32 section, are subject to ~~a an annual~~ registration fee of ~~ten~~
20 33 ~~dollars.~~ as follows:
20 34 (1) For trailers with an empty weight of two thousand
20 35 pounds or less, the annual registration fee is twenty dollars.
21 1 (2) For trailers with an empty weight in excess of two
21 2 thousand pounds, the annual registration fee is thirty
21 3 dollars.
21 4 b. Trailers for which the empty weight is two thousand
21 5 pounds or less are exempt from the certificate of title and
21 6 lien provisions of this chapter.
21 7 c. For trailers and semitrailers licensed under chapter
21 8 326, the annual registration fee for the permanent
21 9 registration plate shall be the applicable fee under paragraph
21 10 "a". The registration fees for a permanent registration
21 11 plate, at the option of the registrant, shall be remitted to
21 12 the department at five-year intervals or on an annual basis.
21 13 Fees collected under this section shall not be reduced or
21 14 prorated under chapter 326.
21 15 ~~1-~~ 2. a. Travel trailers and fifth-wheel travel trailers,
21 16 except those in manufacturer's or dealer's stock, shall be
21 17 subject to an annual fee of ~~twenty thirty~~ cents per square
21 18 foot of floor space computed on the exterior overall
21 19 measurements, but excluding three feet occupied by any trailer
21 20 hitch as provided by and certified to by the owner, to the
21 21 nearest whole dollar. When a travel trailer or fifth-wheel
21 22 travel trailer is registered in Iowa for the first time or
21 23 when title is transferred, the annual fee shall be prorated on
21 24 a monthly basis. The annual fee shall be reduced to
21 25 seventy-five percent of the full fee after the vehicle is more
21 26 than six model years old.
21 27 b. A travel trailer may be stored under section 321.134,
21 28 provided the travel trailer is not used for human habitation
21 29 for any period during storage and is not moved upon the
21 30 highways of the state. A travel trailer stored under section
21 31 321.134 is not subject to a manufactured or mobile home tax
21 32 assessed under chapter 435.
21 33 ~~2-~~ 3. Motor trucks or truck tractors pulling trailers or
21 34 semitrailers shall be registered for the combined gross weight
21 35 of the motor truck or truck tractor and trailer or
22 1 semitrailer, except that:
22 2 a. Motor trucks registered for six tons or less not used
22 3 for hire, pulling trailers or semitrailers used by a person
22 4 engaged in farming to transport commodities produced by the
22 5 owner, or to transport commodities or livestock purchased by
22 6 the owner for use in the owner's own farming operation or used
22 7 by any person to transport horses shall not be subject to
22 8 registration for the gross weight of such trailer or
22 9 semitrailer provided the combined gross weight does not exceed
22 10 twelve tons, plus the tolerance provided for in section
22 11 321.466.
22 12 b. Motor trucks registered for six tons or less not used
22 13 for hire, pulling trailers or semitrailers used by a person in
22 14 the person's own operations shall not be subject to
22 15 registration for the gross weight of such trailer or
22 16 semitrailer provided the combined gross weight does not exceed
22 17 eight tons, plus the tolerance provided for in section
22 18 321.466.
22 19 Sec. 25. EFFECTIVE DATE AND APPLICABILITY. This division
22 20 of this Act takes effect January 1, 2009, and applies to
22 21 trailers registered for registration years beginning in 2009
22 22 and subsequent years.

22 23 DIVISION IV
22 24 STUDIES

22 25 Sec. 26. TIME=21 FUNDING ANALYSIS. The department of
22 26 transportation shall conduct an analysis of the additional
22 27 revenues necessary to provide at least two hundred million
22 28 dollars annually to the TIME=21 fund by FY 2011=2012. The
22 29 analysis shall include but is not limited to the amount of
22 30 excise tax levied on motor fuel and adjustments that might be
22 31 made to various fees collected by the department in order to
22 32 create an appropriate balance of taxes and fees paid by Iowa
22 33 drivers and out-of-state drivers. The department shall submit
22 34 a report to the governor and the general assembly on or before
22 35 December 31, 2008, regarding its analysis.
23 1 Sec. 27. PUBLIC TRANSIT FUNDING STUDY. The department of

23 2 transportation, in cooperation with the office of energy
23 3 independence and the department of natural resources, shall
23 4 review the current revenues available for support of public
23 5 transit and the sufficiency of those revenues to meet future
23 6 needs. The review shall include but is not limited to
23 7 identifying transit improvements needed to meet state energy
23 8 independence goals and an assessment of how the state's
23 9 support of public transit is positioned to meet the mobility
23 10 needs of Iowa's growing senior population. The department
23 11 shall submit a report to the governor and the general assembly
23 12 on or before December 1, 2009.

23 13 DIVISION V

23 14 MOTORCYCLE OPERATOR'S LICENSE FEE

23 15 Sec. 28. Section 312.2, subsection 16, Code Supplement
23 16 2007, is amended to read as follows:

23 17 16. The treasurer of state, before making the allotments
23 18 provided for in this section, shall credit monthly from the
23 19 road use tax fund to the motorcycle rider education fund
23 20 established in section 321.180B, an amount equal to ~~one dollar~~
23 21 two dollars per year of license validity for each issued or
23 22 renewed driver's license which is valid for the operation of a
23 23 motorcycle. Moneys credited to the motorcycle rider education
23 24 fund under this subsection shall be taken from moneys credited
23 25 to the road use tax fund under section 423.43.

23 26 Sec. 29. Section 321.191, subsection 5, Code 2007, is
23 27 amended to read as follows:

23 28 5. LICENSES VALID FOR MOTORCYCLES. An additional fee of
23 29 ~~one dollar~~ two dollars per year of license validity is
23 30 required to issue a license valid to operate a motorcycle.

23 31 Sec. 30. Section 321.145, subsection 2, paragraph b,
23 32 subparagraph (2), if enacted by the Eighty-second General
23 33 Assembly, 2008 Session, is amended to read as follows:

23 34 (2) An amount equal to ~~one dollar~~ two dollars per year of
23 35 license validity for each issued or renewed driver's license
24 1 which is valid for the operation of a motorcycle shall be
24 2 credited to the motorcycle rider education fund established
24 3 under section 321.180B.

24 4 Sec. 31. If section 312.2, subsection 16, Code Supplement
24 5 2007, is stricken by a provision in another division of this
24 6 Act or another Act of the 2008 Session of the Eighty-second
24 7 General Assembly, the section in this division of this Act
24 8 amending section 312.2, subsection 16, Code Supplement 2007,
24 9 is void.

24 10 DIVISION VI

24 11 USE TAX ON MOTOR VEHICLES REPEALED ==

24 12 FEE FOR NEW REGISTRATION IMPOSED

24 13 PART 1

24 14 ROAD USE TAX FUND

24 15 Sec. 32. Section 312.1, Code 2007, is amended to read as
24 16 follows:

24 17 312.1 FUND CREATED.

24 18 1. There is hereby created, in the state treasury, a road
24 19 use tax fund. ~~Said The~~ road use tax fund shall ~~embrace and~~
24 20 ~~include all of the following:~~

24 21 1- a. All the net proceeds of the registration of motor
24 22 vehicles under chapter 321.

24 23 2- b. All the net proceeds of the motor fuel tax or
24 24 license fees under chapter 452A.

24 25 3- c. Revenue derived from the excise tax imposed upon
24 26 the rental of automobiles, under chapter 423C, ~~as to the~~
24 27 ~~extent provided by section 423C.5 321.145, subsection 2.~~

24 28 4. ~~To the extent provided in section 423.43, subsection 1,~~
24 29 ~~paragraph "b", from revenue derived from the use tax, under~~
24 30 ~~chapter 423 on motor vehicles, trailers, and motor vehicle~~
24 31 ~~accessories and equipment.~~

24 32 5- d. Revenue derived from the use tax collected under
24 33 section 423.26, to the extent provided under section 321.145,
24 34 subsection 2.

24 35 e. Any other funds which may by law be credited to the
25 1 road use tax fund.

25 2 2. Notwithstanding section 12C.7, subsection 2, interest
25 3 or earnings on investments or time deposits of the moneys in
25 4 the road use tax fund and the funds to which moneys from the
25 5 road use tax fund are credited shall be credited to the road
25 6 use tax fund.

25 7 Sec. 33. Section 312.2, subsections 14 and 16, Code
25 8 Supplement 2007, are amended by striking the subsections.

25 9 Sec. 34. Section 312.2, Code Supplement 2007, is amended
25 10 by adding the following new subsection:

25 11 NEW SUBSECTION. 19. The treasurer of state, before making
25 12 the allotments provided for in this section, shall credit

25 13 monthly from the road use tax fund to the primary road fund an
25 14 amount equal to ten percent of the revenues collected from the
25 15 operation of section 321.105A, subsection 2, to be used for
25 16 the commercial and industrial highway network.

25 17 Sec. 35. Section 321.52A, Code 2007, is amended to read as
25 18 follows:

25 19 321.52A CERTIFICATE OF TITLE SURCHARGE == ALLOCATION OF
25 20 MONEYS.

25 21 ~~1.~~ In addition to the fee required for the issuance of a
25 22 certificate of title under section 321.20, 321.20A, 321.23,
25 23 321.42, 321.46, 321.47, 321.48, 321.50, or 321.52, a surcharge
25 24 of five dollars shall be required. Of each surcharge
25 25 collected under those sections, the county treasurer shall
25 26 remit five dollars to the office of treasurer of state for
25 27 deposit as set forth in section 321.145, subsection 2.

~~25 28 2. For the fiscal year beginning July 1, 2002, through the
25 29 fiscal year beginning July 1, 2006, the treasurer of state
25 30 shall deposit twenty percent of the moneys received under
25 31 subsection 1 in the waste tire management fund and deposit the
25 32 remainder in the road use tax fund. For the fiscal year
25 33 beginning July 1, 2007, and each subsequent fiscal year, the
25 34 treasurer of state shall deposit the entire amount of moneys
25 35 received under subsection 1 in the road use tax fund.~~

26 1 Sec. 36. Section 321.145, Code 2007, is amended to read as
26 2 follows:

26 3 321.145 DISPOSITION OF MONEYS AND FEES.

26 4 1. Except for fines, forfeitures, court costs, and the
26 5 collection fees retained by the county treasurer pursuant to
26 6 section 321.152, and except as provided in subsection 2,
26 7 moneys and motor vehicle license registration fees collected
26 8 under this chapter shall be credited by the treasurer of state
26 9 to the road use tax fund.

26 10 2. Revenues derived from trailer registration fees
26 11 collected pursuant to sections 321.105 and 321.105A, fees
26 12 charged for driver's licenses and nonoperator's identification
26 13 cards, fees charged for the issuance of a certificate of
26 14 title, the certificate of title surcharge collected pursuant
26 15 to section 321.52A, and revenues credited pursuant to section
26 16 423.43, subsection 2, and section 423C.5 shall be deposited in
26 17 a fund to be known as the statutory allocations fund under the
26 18 control of the department and credited as follows:

26 19 a. Four million two hundred fifty thousand dollars per
26 20 quarter shall be deposited into and credited to the Iowa
26 21 comprehensive petroleum underground storage tank fund created
26 22 in section 455G.3, and the moneys so deposited are a
26 23 continuing appropriation for expenditure under chapter 455G,
26 24 and moneys so appropriated shall not be used for other
26 25 purposes.

26 26 b. Moneys remaining after the operation of paragraph "a"
26 27 shall be credited in order of priority as follows:

26 28 (1) An amount equal to four percent of the revenue from
26 29 the operation of section 321.105A, subsection 2, shall be
26 30 credited to the department, to be used for purposes of public
26 31 transit assistance under chapter 324A.

26 32 (2) An amount equal to one dollar per year of license
26 33 validity for each issued or renewed driver's license which is
26 34 valid for the operation of a motorcycle shall be credited to
26 35 the motorcycle rider education fund established under section
27 1 321.180B.

27 2 (3) The amounts required to be transferred pursuant to
27 3 section 321.34 from revenues available under this subsection
27 4 shall be transferred and credited as provided in section
27 5 321.34, subsections 7, 10, 10A, 11, 11A, 11B, 13, 16, 17, 18,
27 6 19, 20, 20A, 20B, 21, 22, 23, and 24 for the various purposes
27 7 specified in those subsections.

27 8 (4) Amounts certified by the railway finance authority
27 9 pursuant to section 327I.25 and appropriated to the authority
27 10 pursuant to section 327I.26, not to exceed two million dollars
27 11 annually.

27 12 (5) The department may direct the treasurer of state to
27 13 credit to the primary road fund any amount of such revenues to
27 14 the extent necessary to reimburse that fund for the
27 15 expenditures not otherwise eligible to be made from the
27 16 primary road fund, which are made for repairing, improving,
27 17 and maintaining bridges over the rivers bordering the state.
27 18 Expenditures for those portions of bridges within adjacent
27 19 states may be included when they are made pursuant to an
27 20 agreement entered into under section 313.63, 313A.34, or
27 21 314.10.

27 22 c. Any such revenues remaining shall be credited to the
27 23 road use tax fund.

27 24 Sec. 37. Section 423C.5, Code 2007, is amended to read as
27 25 follows:
27 26 423C.5 DEPOSIT OF REVENUE.
27 27 The revenue arising from the operation of this chapter
27 28 shall be credited to the ~~road use tax fund statutory~~
27 29 ~~allocations fund created under section 321.145, subsection 2.~~

27 30 PART 2
27 31 FEE FOR NEW VEHICLE REGISTRATION
27 32 Sec. 38. Section 321.1, Code 2007, is amended by adding
27 33 the following new subsection:
27 34 NEW SUBSECTION. 59A. "Registration fees", unless
27 35 otherwise specified, means both the annual vehicle
28 1 registration fee and the fee for new registration, to the
28 2 extent applicable, for purposes of administering the
28 3 provisions of this chapter concerning vehicle registration
28 4 fees.
28 5 Sec. 39. Section 321.2, Code 2007, is amended to read as
28 6 follows:
28 7 321.2 DEPARTMENT.
28 8 1. ~~The~~ Except as otherwise provided by law, the state
28 9 department of transportation shall administer and enforce the
28 10 provisions of this chapter.
28 11 2. The division of state patrol of the department of
28 12 public safety shall enforce the provisions of this chapter
28 13 relating to traffic on the public highways of the state,
28 14 including those relating to the safe and legal operation of
28 15 passenger cars, motorcycles, motor trucks and buses, and to
28 16 see that proper safety rules are observed.
28 17 3. The state department of transportation and the
28 18 department of public safety shall cooperate to insure the
28 19 proper and adequate enforcement of the provisions of this
28 20 chapter.
28 21 4. The director of revenue shall administer and enforce
28 22 the collection of the fee for new registration as provided in
28 23 section 321.105A.

28 24 Sec. 40. NEW SECTION. 321.105A FEE FOR NEW REGISTRATION.
28 25 1. DEFINITIONS. The following terms, when used in this
28 26 section, shall have the following meanings, except in those
28 27 instances where the context clearly indicates otherwise:
28 28 a. "Department" means the department of revenue.
28 29 b. "Director" means the director of revenue.
28 30 c. "Owner" means as defined in section 321.1. For
28 31 purposes of the fee for new registration imposed on leased
28 32 vehicles under subsection 3, "owner" means the "lessor".
28 33 d. "Purchase" means any transfer, exchange, or barter,
28 34 conditional or otherwise, in any manner or by any means
28 35 whatsoever, for consideration.
29 1 2. In addition to the annual registration fee required
29 2 under section 321.105, a "fee for new registration" is imposed
29 3 in the amount of five percent of the purchase price for each
29 4 vehicle subject to registration. The fee for new registration
29 5 shall be paid by the owner of the vehicle to the county
29 6 treasurer at the time application is made for a new
29 7 registration and certificate of title, if applicable. A new
29 8 registration receipt shall not be issued until the fee has
29 9 been paid. The county treasurer or the department of
29 10 transportation shall require every applicant for a new
29 11 registration receipt for a vehicle subject to registration to
29 12 supply information as the county treasurer or the director
29 13 deems necessary as to the time of purchase, the purchase
29 14 price, and other information relative to the purchase of the
29 15 vehicle. On or before the tenth day of each month, the county
29 16 treasurer or the department of transportation shall remit to
29 17 the department of revenue the amount of the fees for new
29 18 registration collected during the preceding month.
29 19 a. For purposes of this subsection, "purchase price"
29 20 applies to the measure subject to the fee for new
29 21 registration. "Purchase price" shall be determined in the
29 22 same manner as "sales price" is determined for purposes of
29 23 computing the tax imposed upon the sales price of tangible
29 24 personal property under chapter 423, pursuant to the
29 25 definition in section 423.1, subsection 47, subject to the
29 26 following exemptions:
29 27 (1) Exempted from the purchase price of any vehicle
29 28 subject to registration is the amount of any cash rebate which
29 29 is provided by a motor vehicle manufacturer to the purchaser
29 30 of the vehicle subject to registration so long as the rebate
29 31 is applied to the purchase price of the vehicle.
29 32 (2) (a) In transactions, except those subject to
29 33 subparagraph subdivision (b), in which a vehicle subject to
29 34 registration is traded toward the purchase price of another

29 35 vehicle subject to registration, the purchase price is only
30 1 that portion of the purchase price which is valued in money,
30 2 whether received in money or not, if the following conditions
30 3 are met:

30 4 (i) The vehicle traded to the retailer is the type of
30 5 vehicle normally sold in the regular course of the retailer's
30 6 business.

30 7 (ii) The vehicle traded to the retailer is intended by the
30 8 retailer to be ultimately sold at retail or is intended to be
30 9 used by the retailer or another in the remanufacturing of a
30 10 like vehicle.

30 11 (b) In a transaction between persons, neither of which is
30 12 a retailer of vehicles subject to registration, in which a
30 13 vehicle subject to registration is traded toward the purchase
30 14 price of another vehicle subject to registration, the amount
30 15 of the trade-in value allowed on the vehicle subject to
30 16 registration traded is exempted from the purchase price.

30 17 (c) In order for the trade-in value to be excluded from
30 18 the purchase price, the name or names on the title and
30 19 registration of the vehicle being purchased must be the same
30 20 name or names on the title and registration of the vehicle
30 21 being traded. The following trades qualify under this
30 22 subparagraph subdivision (c):

30 23 (i) A trade involving spouses, if the traded vehicle and
30 24 the acquired vehicle are titled in the name of one or both of
30 25 the spouses, with no outside party named on the title.

30 26 (ii) A trade involving a grandparent, parent, or child,
30 27 including adopted and step relationships, if the name of one
30 28 of the family members from the title of the traded vehicle is
30 29 also on the title of the newly acquired vehicle.

30 30 (iii) A trade involving a business, if one of the owners
30 31 listed on the title of the traded vehicle is a business, and
30 32 the names on the title are separated by "or".

30 33 (iv) A trade in which the vehicle being purchased is
30 34 titled in the name of an individual other than the owner of
30 35 the traded vehicle due to the cosigning requirements of a
31 1 financial institution.

31 2 (3) Exempted from the purchase price of a replacement
31 3 motor vehicle owned by a motor vehicle dealer licensed under
31 4 chapter 322 which is being registered by that dealer and is
31 5 not otherwise exempt from the fee for new registration is the
31 6 fair market value of a replaced motor vehicle if all of the
31 7 following conditions are met:

31 8 (a) The motor vehicle being registered is being placed in
31 9 service as a replacement motor vehicle for a motor vehicle
31 10 registered by the motor vehicle dealer.

31 11 (b) The motor vehicle being registered is taken from the
31 12 motor vehicle dealer's inventory.

31 13 (c) Use tax or the fee for new registration on the motor
31 14 vehicle being replaced was paid by the motor vehicle dealer
31 15 when that motor vehicle was registered.

31 16 (d) The replaced motor vehicle is returned to the motor
31 17 vehicle dealer's inventory for sale.

31 18 (e) The application for registration and title of the
31 19 motor vehicle being registered is filed with the county
31 20 treasurer within two weeks of the date the replaced motor
31 21 vehicle is returned to the motor vehicle dealer's inventory.

31 22 (f) The motor vehicle being registered is placed in the
31 23 same or substantially similar service as the replaced motor
31 24 vehicle.

31 25 b. For purposes of this subsection, the fee for new
31 26 registration on a vehicle registered in this state by the
31 27 manufacturer of that vehicle from a manufacturer's statement
31 28 of origin is calculated on the base value of fifty percent of
31 29 the retail list price of the vehicle.

31 30 c. The following are exempt from the fee for new
31 31 registration imposed under this subsection, as long as a valid
31 32 affidavit is filed with the county treasurer at the time of
31 33 application for registration:

31 34 (1) Entities listed in section 423.3, subsections 17, 18,
31 35 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that
32 1 those entities are exempt from the tax imposed on the sale of
32 2 tangible personal property, consisting of goods, wares, or
32 3 merchandise, sold at retail in the state to consumers or
32 4 users.

32 5 (2) Vehicles as defined in section 321.1, subsections 41,
32 6 64A, 71, 85, and 88, except such vehicles subject to
32 7 registration which are designed primarily for carrying
32 8 persons, when purchased for lease and actually leased to a
32 9 lessee for use outside the state of Iowa and the subsequent
32 10 sole use in Iowa is in interstate commerce or interstate

32 11 transportation.

32 12 (3) (a) Vehicles subject to registration which are
32 13 transferred from a business or individual conducting a
32 14 business within this state as a sole proprietorship,
32 15 partnership, or limited liability company to a corporation
32 16 formed by the sole proprietorship, partnership, or limited
32 17 liability company for the purpose of continuing the business
32 18 when all of the stock of the corporation so formed is owned by
32 19 the sole proprietor and the sole proprietor's spouse, by all
32 20 the partners in the case of a partnership, or by all the
32 21 members in the case of a limited liability company. This
32 22 exemption is equally available where the vehicles subject to
32 23 registration are transferred from a corporation to a sole
32 24 proprietorship, partnership, or limited liability company
32 25 formed by that corporation for the purpose of continuing the
32 26 business when all of the incidents of ownership are owned by
32 27 the same person or persons who were stockholders of the
32 28 corporation.

32 29 (b) This exemption also applies where the vehicles subject
32 30 to registration are transferred from a corporation as part of
32 31 the liquidation of the corporation to its stockholders if
32 32 within three months of such transfer the stockholders
32 33 retransfer those vehicles subject to registration to a sole
32 34 proprietorship, partnership, or limited liability company for
32 35 the purpose of continuing the business of the corporation when
33 1 all of the incidents of ownership are owned by the same person
33 2 or persons who were stockholders of the corporation.

33 3 (c) This exemption applies to corporations that have been
33 4 in existence for not longer than twenty-four months.

33 5 (4) Vehicles subject to registration which are transferred
33 6 from a corporation that is primarily engaged in the business
33 7 of leasing vehicles subject to registration to a corporation
33 8 that is primarily engaged in the business of leasing vehicles
33 9 subject to registration when the transferor and transferee
33 10 corporations are part of the same controlled group for federal
33 11 income tax purposes.

33 12 (5) (a) Vehicles registered or operated under chapter 326
33 13 and used substantially in interstate commerce. For purposes
33 14 of this subparagraph (5), "substantially in interstate
33 15 commerce" means that a minimum of twenty-five percent of the
33 16 miles operated by the vehicle accrues in states other than
33 17 Iowa. This subparagraph (5) applies only to vehicles which
33 18 are registered for a gross weight of thirteen tons or more.

33 19 (b) For purposes of this subparagraph (5), trailers and
33 20 semitrailers registered or operated under chapter 326 are
33 21 deemed to be used substantially in interstate commerce and to
33 22 be registered for a gross weight of thirteen tons or more.

33 23 (c) For the purposes of this subparagraph (5), if a
33 24 vehicle meets the requirement that twenty-five percent of the
33 25 miles operated accrues in states other than Iowa in each year
33 26 of the first four-year period of operation, the exemption from
33 27 the fee for new registration shall continue until the vehicle
33 28 is sold or transferred. If the vehicle is found to have not
33 29 met the exemption requirements or the exemption was revoked,
33 30 the value of the vehicle upon which the fee for new

33 31 registration shall be imposed is based on the original
33 32 purchase price if revocation or nonqualification for this
33 33 exemption occurs during the first year following registration.
33 34 If revocation or nonqualification for this exemption occurs
33 35 after the first year following registration, the value of the
34 1 vehicle upon which the fee shall be imposed is the book or
34 2 market value, whichever is less, at the time the exemption
34 3 requirements were not met or the exemption was revoked.

34 4 (6) Vehicles subject to registration in any state when
34 5 purchased for rental or registered and titled by a motor
34 6 vehicle dealer licensed pursuant to chapter 322 for rental
34 7 use, and held for rental for a period of one hundred twenty
34 8 days or more and actually rented for periods of sixty days or
34 9 less by a person regularly engaged in the business of renting
34 10 vehicles including but not limited to motor vehicle dealers
34 11 licensed pursuant to chapter 322 who rent automobiles to
34 12 users, if the rental of the vehicles is subject to taxation
34 13 under chapter 423C.

34 14 (7) Vehicles subject to registration in this state for
34 15 which the applicant for registration has paid to another state
34 16 a state sales, use, or occupational tax. However, if the tax
34 17 paid to another state is less than the fee for new
34 18 registration calculated for the vehicle, the difference shall
34 19 be the amount to be collected as the fee for new registration.

34 20 (8) A vehicle subject to registration in this state which
34 21 is owned by a person who has moved from another state with the

34 22 intention of changing residency to Iowa, provided that the
34 23 vehicle was purchased for use in the state from which the
34 24 applicant moved and was not, at or near the time of purchase,
34 25 purchased for use in Iowa.

34 26 (9) A vehicle that was previously registered in this state
34 27 and was subsequently registered in another state is not
34 28 subject to the fee for new registration when it is again
34 29 registered in this state, provided that the applicant for
34 30 registration has maintained ownership of the vehicle since its
34 31 initial registration in this state and has previously paid the
34 32 use tax or fee for new registration for the vehicle in this
34 33 state.

34 34 (10) Vehicles transferred by operation of law as provided
34 35 in section 321.47.

35 1 (11) Vehicles for which ownership is transferred to or
35 2 from a revocable or irrevocable trust, if no consideration is
35 3 present.

35 4 (12) Vehicles transferred to the surviving corporation for
35 5 no consideration as a result of a corporate merger according
35 6 to the laws of this state in which the merging corporation is
35 7 immediately extinguished and dissolved.

35 8 (13) Vehicles purchased in this state by a nonresident for
35 9 removal to the nonresident's state of residence if the
35 10 purchaser applies to the county treasurer for a transit plate
35 11 under section 321.109.

35 12 (14) Vehicles purchased by a licensed motor vehicle dealer
35 13 for resale.

35 14 (15) Vehicles purchased by a licensed wholesaler of new
35 15 motor vehicles for resale.

35 16 (16) Homemade vehicles built from parts purchased at
35 17 retail, upon which the consumer paid a tax to the seller, but
35 18 only on such vehicles never before registered. This exemption
35 19 does not apply for vehicles subject to registration which are
35 20 made by a manufacturer engaged in the business for the purpose
35 21 of sales or rental.

35 22 (17) Vehicles titled under a salvage certificate of title.
35 23 However, when such a vehicle has been repaired and a regular
35 24 certificate of title is applied for, the fee for new
35 25 registration is due as follows:

35 26 (a) If the owner of the vehicle is a licensed recycler,
35 27 unless the applicant is licensed as a vehicle dealer, the fee
35 28 for new registration applies based on the fair market value of
35 29 the vehicle, with deduction allowed for the cost of parts,
35 30 supplies, and equipment for which sales tax was paid and which
35 31 were used to rebuild the vehicle.

35 32 (b) If the owner is a person who is not licensed as a
35 33 recycler or vehicle dealer, the fee for new registration
35 34 applies based on the fair market value of the vehicle, with
35 35 deduction allowed for the cost of parts, frames, chassis, auto
36 1 bodies, or supplies that were purchased to rebuild the vehicle
36 2 and for which sales tax was paid.

36 3 (18) A vehicle delivered to a resident Native American
36 4 Indian on the reservation.

36 5 (19) A vehicle transferred from one individual to another
36 6 as a gift in a transaction in which no consideration is
36 7 present.

36 8 (20) A vehicle given by a corporation as a gift to a
36 9 retiring employee.

36 10 (21) A vehicle sold by an entity where the profits from
36 11 the sale are used by or donated to a nonprofit entity which is
36 12 exempt from federal income taxation pursuant to section
36 13 501(c)(3) of the Internal Revenue Code, a government entity,
36 14 or a nonprofit private educational institution, and where the
36 15 entire proceeds from the sale of the vehicle are expended for
36 16 any of the following purposes:

36 17 (a) Educational.

36 18 (b) Religious.

36 19 (c) Charitable. A charitable act is an act done out of
36 20 goodwill, benevolence, and a desire to add to or to improve
36 21 the good of humankind in general or any class or portion of
36 22 humankind, with no pecuniary profit inuring to the person
36 23 performing the service or giving the gift.

36 24 (22) A vehicle given or sold to be subsequently awarded as
36 25 a raffle prize under chapter 99B.

36 26 (23) A vehicle won as a raffle prize under chapter 99B.

36 27 (24) A vehicle that is directly and primarily used in the
36 28 recycling or reprocessing of waste products.

36 29 (25) Vehicles subject to registration under this chapter
36 30 with a gross vehicle weight rating of less than sixteen
36 31 thousand pounds, excluding motorcycles and motorized bicycles,
36 32 when purchased for lease and titled by the lessor licensed

36 33 pursuant to chapter 321F and actually leased for a period of
36 34 twelve months or more if the lease of the vehicle is subject
36 35 to the fee for new registration under subsection 3.

37 1 A lessor may maintain the exemption under this subparagraph
37 2 for a qualifying lease that terminates at the conclusion or
37 3 prior to the contracted expiration date if the lessor does not
37 4 use the vehicle for any purpose other than for lease. Once
37 5 the vehicle is used by the lessor for a purpose other than for
37 6 lease, the exemption under this subparagraph no longer applies
37 7 and, unless there is another exemption from the fee for new
37 8 registration, the fee for new registration is due on the fair
37 9 market value of the vehicle determined at the time the lessor
37 10 uses the vehicle for a purpose other than for lease, payable
37 11 to the department. If the lessor holds the vehicle
37 12 exclusively for sale, the fee for new registration is due and
37 13 payable on the purchase price of the vehicle at the time of
37 14 purchase pursuant to this subsection.

37 15 (26) A vehicle repossessed by a licensed vehicle dealer
37 16 pursuant to the uniform commercial code, chapter 554, provided
37 17 there is a valid lien on the title and the dealer anticipates
37 18 reselling the vehicle.

37 19 (27) A vehicle repossessed by a financial institution or
37 20 an individual by means of a foreclosure affidavit pursuant to
37 21 the uniform commercial code, chapter 554, provided there is a
37 22 valid lien on the vehicle and the foreclosure affidavit is
37 23 used for the sole purpose of retaining possession of the
37 24 vehicle until a new buyer is found. However, if the financial
37 25 institution or individual uses the foreclosure affidavit to
37 26 take title to the vehicle and register the vehicle, the new
37 27 registration fee shall be due based on the outstanding loan
37 28 amount on the vehicle.

37 29 (28) A damaged vehicle acquired by an insurance company
37 30 from a client or financial institution, provided the insurance
37 31 company has a vehicle dealers license.

37 32 (29) A vehicle returned to a manufacturer and titled in
37 33 the manufacturer's name under section 322G.12.

37 34 (30) A vehicle purchased directly by a federal, state, or
37 35 local governmental agency and titled in an individual's name
38 1 pursuant to a governmental program authorized by law.

38 2 3. LEASED VEHICLES.

38 3 a. A fee for new registration is imposed in an amount
38 4 equal to five percent of the leased price for each vehicle
38 5 subject to registration with a gross vehicle weight rating of
38 6 less than sixteen thousand pounds, excluding motorcycles and
38 7 motorized bicycles, which is leased by a lessor licensed
38 8 pursuant to chapter 321F for a period of twelve months or
38 9 more. The fee for new registration shall be paid by the owner
38 10 of the vehicle to the county treasurer from whom the
38 11 registration receipt or certificate of title is obtained. A
38 12 registration receipt for a vehicle subject to registration or
38 13 issuance of a certificate of title shall not be issued until
38 14 the fee for new registration is paid in the initial instance.

38 15 b. The amount of the lease price subject to the fee for
38 16 new registration shall be computed on each separate lease
38 17 transaction by taking the total of the lease payments, plus
38 18 the down payment, and excluding the following charges, if
38 19 included as part of the lease payment:

- 38 20 (1) Title fee.
- 38 21 (2) Annual registration fees.
- 38 22 (3) Fee for new registration.
- 38 23 (4) Federal excise taxes attributable to the sale of the
38 24 vehicle to the owner or to the lease of the vehicle by the
38 25 owner.
- 38 26 (5) Optional service or warranty contracts subject to tax
38 27 pursuant to section 423.2, subsection 1.
- 38 28 (6) Insurance.
- 38 29 (7) Manufacturer's rebate.
- 38 30 (8) Refundable deposit.
- 38 31 (9) Finance charges, if any, on items listed in
38 32 subparagraphs (1) through (8).

38 33 c. If any or all of the items in paragraph "b",
38 34 subparagraphs (1) through (8), are excluded from the lease
38 35 price subject to the fee for new registration, the owner shall
39 1 maintain adequate records of the amounts of those items. If
39 2 the parties to a lease enter into an agreement providing that
39 3 the fee for new registration is to be paid by the lessee or
39 4 included in the monthly lease payments to be paid by the
39 5 lessee, the total cost of the fee for new registration shall
39 6 not be included in the computation of the lease price for the
39 7 purpose of the fee for new registration under this section.
39 8 The county treasurer or the department of transportation shall

39 9 require every applicant for a registration receipt for a
39 10 vehicle subject to a fee for new registration to supply
39 11 information as the county treasurer or the director deems
39 12 necessary as to the date of the lease transaction, the lease
39 13 price, and other information relative to the lease of the
39 14 vehicle.

39 15 d. On or before the tenth day of each month, the county
39 16 treasurer or the department of transportation shall remit to
39 17 the department of revenue the amount of the fees for new
39 18 registration collected during the preceding month.

39 19 e. If the lease is terminated prior to the termination
39 20 date contained in the lease agreement, no refund shall be
39 21 allowed for a fee for new registration previously paid under
39 22 this section, except as provided in section 322G.4.

39 23 4. ADMINISTRATION AND ENFORCEMENT == DIRECTOR OF REVENUE.

39 24 a. The director of revenue in consultation with the
39 25 department of transportation shall administer and enforce the
39 26 fee for new registration as nearly as possible in conjunction
39 27 with the administration and enforcement of the state use tax
39 28 law, except that portion of the law which implements the
39 29 streamlined sales and use tax agreement. The director shall
39 30 provide appropriate forms, or provide on the annual
39 31 registration forms provided by the department of
39 32 transportation, for reporting the fee for new registration
39 33 liability.

39 34 b. Section 422.25, subsection 4, sections 422.30, 422.67,
39 35 and 422.68, section 422.69, subsection 1, sections 422.70,
40 1 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
40 2 2, and sections 423.23, 423.24, 423.25, 423.32, 423.33,
40 3 423.35, 423.37 through 423.42, 423.45, and 423.47, consistent
40 4 with the provisions of this section, apply with respect to the
40 5 fees for new registration authorized under this section in the
40 6 same manner and with the same effect as if the fees for new
40 7 registration were retail use taxes within the meaning of those
40 8 statutes.

40 9 5. COLLECTIONS BY LICENSED DEALERS.

40 10 a. A licensed vehicle dealer maintaining a place of
40 11 business in this state who sells a vehicle subject to
40 12 registration for use in this state shall collect the fee for
40 13 new registration at the time of making the sale. A dealer
40 14 required to collect the fee for new registration shall give to
40 15 the purchaser a receipt for the fee in the manner and form
40 16 prescribed by the director. Fees collected by a dealer under
40 17 this section shall be forwarded to the county treasurer in the
40 18 same manner as annual registration fees.

40 19 b. If an amount of the fee for new registration
40 20 represented by a dealer to the purchaser of a vehicle is
40 21 computed upon a purchase price that is not subject to the fee
40 22 for new registration or the amount represented is in excess of
40 23 the actual amount subject to the fee and the amount
40 24 represented is actually paid by the purchaser to the dealer,
40 25 the excess amount of fee for new registration paid shall be
40 26 returned to the purchaser upon notification to the dealer by
40 27 the department that an excess payment exists.

40 28 c. If an amount of the fee for new registration
40 29 represented by a dealer to a purchaser is computed upon a
40 30 purchase price that is not subject to the fee for new
40 31 registration or the amount represented is in excess of the
40 32 actual amount subject to the fee and the amount represented is
40 33 actually paid by the purchaser to the dealer, the excess
40 34 amount of fee for new registration paid shall be returned to
40 35 the purchaser upon proper notification to the dealer by the
41 1 purchaser that an excess payment exists. "Proper"
41 2 notification is written notification which allows a dealer at
41 3 least sixty days to respond and which contains enough
41 4 information to allow a dealer to determine the validity of a
41 5 purchaser's claim that an excess amount of fee for new
41 6 registration has been paid. No cause of action shall accrue
41 7 against a dealer for excess fee for new registration paid
41 8 until sixty days after proper notice has been given the dealer
41 9 by the purchaser.

41 10 d. In the circumstances described in paragraphs "b" and
41 11 "c", a dealer has the option to either return any excess
41 12 amount of fee for new registration paid to a purchaser, or to
41 13 remit the amount which a purchaser has paid to the dealer to
41 14 the department.

41 15 6. REFUNDS.

41 16 a. A fee for new registration is not refundable, except in
41 17 the following circumstances:

41 18 (1) If a vehicle is sold and later returned to the seller
41 19 and the entire purchase price is refunded by the seller, the

41 20 purchaser is entitled to a refund of the fee for new
41 21 registration paid. To obtain a refund, the purchaser shall
41 22 make application on forms provided by the department and show
41 23 proof that the entire purchase price was returned and that the
41 24 fee for new registration had been paid.
41 25 (2) If a vehicle manufacturer reimburses a purchaser for
41 26 the fee for new registration paid on a returned defective
41 27 vehicle, the manufacturer may obtain a refund from the
41 28 department by providing proof that the fee was paid and the
41 29 purchaser reimbursed in accordance with the provisions of
41 30 chapter 322G.
41 31 (3) If the department determines that, as a result of a
41 32 mistake, an amount of the fee for new registration has been
41 33 paid which was not due, such amount shall be refunded to the
41 34 vehicle owner by the department.
41 35 b. A claim for refund under this subsection that has not
42 1 been filed with the department within three years after the
42 2 fee for new registration was paid shall not be allowed by the
42 3 director.
42 4 7. PENALTY FOR FALSE STATEMENT. A person who willfully
42 5 makes a false statement in regard to the purchase price of a
42 6 vehicle subject to a fee for new registration is guilty of a
42 7 fraudulent practice. A person who willfully makes a false
42 8 statement in regard to the purchase price of such a vehicle
42 9 with the intent to evade payment of the fee for new
42 10 registration shall be assessed a penalty of seventy-five
42 11 percent of the amount of the fee unpaid and required to be
42 12 paid on the actual purchase price less trade-in allowance.
42 13 PART 3
42 14 MOTOR VEHICLE USE TAX == REPEAL
42 15 Sec. 41. Section 423.6, subsection 6, Code 2007, is
42 16 amended to read as follows:
42 17 6. Tangible personal property or services the sales price
42 18 of which is exempt from the sales tax under section 423.3,
42 19 except subsections 39 and 73, as it relates to the sale, but
42 20 not the lease or rental, of vehicles ~~subject to registration~~
42 21 ~~or subject only to the issuance of a certificate of title and~~
42 22 as it relates to aircraft subject to registration under
42 23 section 328.20.
42 24 Sec. 42. Section 423.6, subsections 8, 10, 11, 12, 16, 17,
42 25 18, 24, and 25, Code 2007, are amended by striking the
42 26 subsections.
42 27 Sec. 43. Section 423.14, subsection 2, paragraph a, Code
42 28 2007, is amended to read as follows:
42 29 a. The tax upon the use of all vehicles ~~subject to~~
42 30 ~~registration or subject only to the issuance of a certificate~~
42 31 ~~of title or the tax upon the use of manufactured housing shall~~
42 32 ~~be collected by the county treasurer or the state department~~
42 33 ~~of transportation pursuant to sections section 423.26 and~~
42 34 ~~423.27, subsection 1. The county treasurer shall retain one~~
42 35 ~~dollar from each tax payment collected, to be credited to the~~
43 1 ~~county general fund.~~
43 2 Sec. 44. Section 423.26, Code 2007, is amended to read as
43 3 follows:
43 4 ~~423.26 VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE~~
43 5 ~~ISSUANCE OF TITLE == MANUFACTURED HOUSING == VEHICLE LEASE~~
43 6 ~~TRANSACTIONS NOT REQUIRING TITLE OR REGISTRATION.~~
43 7 ~~1. a. The use tax imposed upon the use of vehicles~~
43 8 ~~subject to registration or subject only to the issuance of a~~
43 9 ~~certificate of title or imposed upon the use of manufactured~~
43 10 ~~housing shall be paid by the owner of the vehicle or of the~~
43 11 ~~manufactured housing to the county treasurer or the state~~
43 12 ~~department of transportation from whom the registration~~
43 13 ~~receipt or certificate of title is obtained. A registration~~
43 14 ~~receipt for a vehicle subject to registration or certificate~~
43 15 ~~of title shall not be issued until the tax has been paid. The~~
43 16 ~~county treasurer or the state department of transportation~~
43 17 ~~shall require every applicant for a registration receipt for a~~
43 18 ~~vehicle subject to registration or certificate of title to~~
43 19 ~~supply information as the county treasurer or the director~~
43 20 ~~deems necessary as to the time of purchase, the purchase~~
43 21 ~~price, installed purchase price, and other information~~
43 22 ~~relative to the purchase of the vehicle or manufactured~~
43 23 ~~housing. On or before the tenth day of each month, the county~~
43 24 ~~treasurer or the state department of transportation shall~~
43 25 ~~remit to the department the amount of the taxes collected~~
43 26 ~~during the preceding month.~~
43 27 b. A person who willfully makes a false statement in
43 28 regard to the purchase price of a vehicle subject to taxation
43 29 under this ~~section subsection~~ is guilty of a fraudulent
43 30 practice. A person who willfully makes a false statement in

43 31 regard to the purchase price of such a vehicle with the intent
43 32 to evade the payment of tax shall be assessed a penalty of
43 33 seventy-five percent of the amount of tax unpaid and required
43 34 to be paid on the actual purchase price less trade-in
43 35 allowance.

44 1 2. a. The use tax imposed upon the use of leased vehicles
44 2 if the lease transaction does not require titling or
44 3 registration of the vehicle shall be remitted to the
44 4 department. Tax and the reporting of tax due to the
44 5 department shall be remitted on or before fifteen days from
44 6 the last day of the month that the tax becomes due. Failure
44 7 to timely report or remit any of the tax when due shall result
44 8 in a penalty and interest being imposed on the tax due
44 9 pursuant to section 423.40, subsection 1, and section 423.42,
44 10 subsection 1.

44 11 b. The amount subject to tax shall be computed on each
44 12 separate lease transaction by taking the total of the lease
44 13 payments, plus the down payment, and excluding all of the
44 14 following:

44 15 (1) Title fee.
44 16 (2) Registration fees.
44 17 (3) Use tax pursuant to this subsection.
44 18 (4) Federal excise taxes attributable to the sale of the
44 19 vehicle to the owner or to the lease of the vehicle by the
44 20 owner.

44 21 (5) Optional service or warranty contracts subject to tax
44 22 pursuant to section 423.2, subsection 1.

44 23 (6) Insurance.
44 24 (7) Manufacturer's rebate.
44 25 (8) Refundable deposit.
44 26 (9) Finance charges, if any, on items listed in
44 27 subparagraphs (1) through (8).

44 28 c. If any or all of the items in paragraph "b",
44 29 subparagraphs (1) through (8) are excluded from the taxable
44 30 lease price, the owner shall maintain adequate records of the
44 31 amounts of those items. If the parties to a lease enter into
44 32 an agreement providing that the tax imposed under this
44 33 subsection is to be paid by the lessee or included in the
44 34 monthly lease payments to be paid by the lessee, the total
44 35 cost of the tax shall not be included in the computation of
45 1 lease price for the purpose of taxation under this subsection.

45 2 Sec. 45. Section 423.43, Code Supplement 2007, is amended
45 3 by striking the section and inserting in lieu thereof the
45 4 following:

45 5 423.43 DEPOSIT OF REVENUES.

45 6 1. Except as provided in subsection 2, all revenue arising
45 7 under the operation of the use tax under subchapter III shall
45 8 be deposited into the general fund of the state.

45 9 2. All revenue derived from the use tax imposed pursuant
45 10 to section 423.26 shall be credited to the statutory
45 11 allocations fund created under section 321.145, subsection 2.

45 12 Sec. 46. Section 423.27, Code 2007, is repealed.

45 13 PART 4

45 14 CONFORMING AMENDMENTS

45 15 Sec. 47. Section 29A.101A, subsection 5, Code Supplement
45 16 2007, is amended to read as follows:

45 17 5. Rents or lease amounts unpaid for the period preceding
45 18 the effective date of the lease termination shall be paid on a
45 19 prorated basis. In the case of a vehicle lease, the lessor
45 20 shall not impose an early termination charge, but any ~~taxes,~~
45 21 ~~summonses, and~~ title and registration fees, including the fee
45 22 for new registration, and any other obligation and liability
45 23 of the lessee in accordance with the terms of the lease,
45 24 including reasonable charges to the lessee for excess wear,
45 25 use, and mileage, that are due and unpaid at the time of
45 26 termination of the lease shall be paid by the lessee.

45 27 Sec. 48. Section 321.17, Code 2007, is amended to read as
45 28 follows:

45 29 321.17 MISDEMEANOR TO VIOLATE REGISTRATION PROVISIONS.

45 30 It is a simple misdemeanor punishable as a scheduled
45 31 violation under section 805.8A, subsection 2, paragraph "b",
45 32 for any person to drive or move or for an owner knowingly to
45 33 permit to be driven or moved upon the highway a vehicle of a
45 34 type required to be registered under this chapter which is not
45 35 registered, or for which the appropriate ~~fee has~~ fees have not
46 1 been paid, except as provided in section 321.109, subsection
46 2 3.

46 3 Sec. 49. Section 321.19, subsection 1, unnumbered
46 4 paragraph 1, Code 2007, is amended to read as follows:

46 5 All vehicles owned or leased for a period of sixty days or
46 6 more by the government and used in the transaction of official

46 7 business by the representatives of foreign governments or by
46 8 officers, boards, or departments of the government of the
46 9 United States, and by the state, counties, municipalities and
46 10 other political subdivisions of the state including vehicles
46 11 used by an urban transit company operated by a municipality or
46 12 a regional transit system, and self-propelling vehicles used
46 13 neither for the conveyance of persons for hire, pleasure, or
46 14 business nor for the transportation of freight other than
46 15 those used by an urban transit company operated by a
46 16 municipality or a regional transit system, all fire trucks,
46 17 providing they are not owned and operated for a pecuniary
46 18 profit, and authorized emergency vehicles used only in
46 19 disaster relief owned and operated by an organization not
46 20 operated for pecuniary profit, are exempted from the payment
46 21 of the registration fees imposed by this chapter, except as
46 22 provided for urban transit companies in subsection 2, but are
46 23 not exempt from the penalties provided in this chapter.

46 24 Sec. 50. Section 321.20, subsection 1, paragraph a, Code
46 25 2007, is amended to read as follows:

46 26 a. The full legal name; social security number or Iowa
46 27 driver's license number or Iowa nonoperator's identification
46 28 card number; date of birth; bona fide residence; and mailing
46 29 address of the owner and of the lessee if the vehicle is being
46 30 leased. If the owner or lessee is a firm, association, or
46 31 corporation, the application shall contain the bona fide
46 32 business address and federal employer identification number of
46 33 the owner or lessee. Up to three owners' names may be listed
46 34 on the application. If the vehicle is a leased vehicle, the
46 35 application shall state whether the notice of registration
47 1 renewal shall be sent to the lessor or to the lessee and
47 2 whether the lessor or the lessee shall receive the
47 3 registration fee refund of the annual registration fee, if
47 4 any. Information relating to the lessee of a vehicle shall
47 5 not be required on an application for registration and a
47 6 certificate of title for a vehicle with a gross vehicle weight
47 7 rating of ten thousand pounds or more.

47 8 Sec. 51. Section 321.20, subsection 1, paragraph e, Code
47 9 2007, is amended to read as follows:

47 10 e. The amount of the fee for new registration to be paid
47 11 under section 321.105A or the amount of tax to be paid under
47 12 section 423.26, subsection 1.

47 13 Sec. 52. Section 321.20A, Code 2007, is amended to read as
47 14 follows:

47 15 321.20A CERTIFICATE OF TITLE AND REGISTRATION FEES ==
47 16 COMMERCIAL VEHICLES.

47 17 1. Notwithstanding other provisions of this chapter, the
47 18 owner of a commercial vehicle subject to the proportional
47 19 registration provisions of chapter 326 may make application to
47 20 the department or the appropriate county treasurer for a
47 21 certificate of title. The application for certificate of
47 22 title shall be made within thirty days of purchase or transfer
47 23 and shall be accompanied by a ten dollar title fee and the
47 24 appropriate use tax fee for new registration. The department
47 25 or the county treasurer shall deliver the certificate of title
47 26 to the owner if there is no security interest. If there is a
47 27 security interest, the title, when issued, shall be delivered
47 28 to the first secured party. Delivery may be made using
47 29 electronic means.

47 30 2. An owner of more than fifty commercial vehicles subject
47 31 to the proportional registration provisions of chapter 326 who
47 32 is issued a certificate of title under this section shall not
47 33 be subject to annual registration fees until the commercial
47 34 vehicle is driven or moved upon the highways. The annual
47 35 registration fee due shall be prorated for the remaining
48 1 unexpired months of the registration year. Ownership of the
48 2 commercial vehicle shall not be transferred until annual
48 3 registration fees have been paid to the department.

48 4 Sec. 53. Section 321.23, subsection 3, Code 2007, is
48 5 amended to read as follows:

48 6 3. In the event an applicant for registration of a foreign
48 7 vehicle for which a certificate of title has been issued is
48 8 able to furnish evidence of being the registered owner of the
48 9 vehicle to the county treasurer of the owner's residence,
48 10 although unable to surrender such certificate of title, the
48 11 county treasurer may issue a registration receipt and plates
48 12 upon receipt of the required annual registration fee and the
48 13 fee for new registration fee but shall not issue a certificate
48 14 of title thereto. Upon surrender of the certificate of title
48 15 from the foreign state, the county treasurer shall issue a
48 16 certificate of title to the owner, or person entitled thereto,
48 17 of such vehicle as provided in this chapter. The owner of a

48 18 vehicle registered under this subsection shall not be required
48 19 to obtain a certificate of title in this state and may
48 20 transfer ownership of the vehicle to a motor vehicle dealer
48 21 licensed under chapter 322 if, at the time of the transfer,
48 22 the certificate of title is held by a secured party and the
48 23 dealer has forwarded to the secured party the sum necessary to
48 24 discharge the security interest pursuant to section 321.48,
48 25 subsection 1.

48 26 Sec. 54. Section 321.24, subsections 1, 3, and 10, Code
48 27 Supplement 2007, are amended to read as follows:

48 28 1. Upon receipt of the application for title and payment
48 29 of the required fees for a motor vehicle, trailer, or
48 30 semitrailer, the county treasurer or the department shall,
48 31 when satisfied as to the application's genuineness and
48 32 regularity, and, in the case of a mobile home or manufactured
48 33 home, that taxes are not owing under chapter 423 or 435, issue
48 34 a certificate of title and, except for a mobile home or
48 35 manufactured home, a registration receipt, and shall file the
49 1 application, the manufacturer's or importer's certificate, the
49 2 certificate of title, or other evidence of ownership, as
49 3 prescribed by the department. The registration receipt shall
49 4 be delivered to the owner and shall contain upon its face the
49 5 date issued, the name and address of the owner, the
49 6 registration number assigned to the vehicle, the amount of the
49 7 fee paid, ~~the amount of tax paid pursuant to section 423.26,~~
49 8 the type of fuel used, a description of the vehicle as
49 9 determined by the department, and a form for notice of
49 10 transfer of the vehicle. The name and address of any lessee
49 11 of the vehicle shall not be printed on the registration
49 12 receipt or certificate of title. Up to three owners may be
49 13 listed on the registration receipt and certificate of title.

49 14 3. The certificate of title shall contain upon its face
49 15 the identical information required upon the face of the
49 16 registration receipt. In addition, the certificate of title
49 17 shall contain a statement of the owner's title, the title
49 18 number assigned to the owner or owners of the vehicle, ~~the~~
~~49 19 amount of tax paid pursuant to section 423.26,~~ the name and
49 20 address of the previous owner, and a statement of all security
49 21 interests and encumbrances as shown in the application, upon
49 22 the vehicle described, including the nature of the security
49 23 interest, date of perfection, and name and address of the
49 24 secured party.

49 25 10. A vehicle shall be registered for the registration
49 26 year. A vehicle registered for the first time in this state
49 27 shall be registered for the remaining unexpired months of the
49 28 registration year and pay ~~a~~ an annual registration fee
49 29 prorated for the remaining unexpired months of the
49 30 registration year plus a fee for new registration if
~~49 31 applicable pursuant to section 321.105A.~~ Except for a vehicle
49 32 registered under chapter 326, a vehicle registered for the
49 33 first time during the eleventh month of the owner's
49 34 registration year may be registered for the remaining
49 35 unexpired months of the registration year as provided in this
50 1 paragraph or for the remaining unexpired months of the
50 2 registration year and for the next registration year, upon
50 3 payment of the applicable registration fees.

50 4 Sec. 55. Section 321.26, subsection 2, Code 2007, is
50 5 amended to read as follows:

50 6 2. The county treasurer may adjust the renewal or
50 7 expiration date of vehicles when deemed necessary to equalize
50 8 the number of vehicles registered in each twelve-month period
50 9 or for the administrative efficiency of the county treasurer's
50 10 office. The adjustment shall be accomplished by delivery of a
50 11 written notice to the vehicle owner of the adjustment and
50 12 allowance of a credit for the remaining months of the unused
50 13 portion of the annual registration fee, rounded to the nearest
50 14 whole dollar, which amount shall be deducted from the annual
50 15 registration fee due at the time of registration. Upon
50 16 receipt of the notification the owner shall, within thirty
50 17 days, surrender the registration card and registration plates
50 18 to the county treasurer of the county where the vehicle is
50 19 registered, except that the registration plates shall not be
50 20 surrendered if validation stickers or other emblems are used
50 21 to designate the month and year of expiration of registration.
50 22 Upon payment of the annual registration fee, less the credit
50 23 allowed for the remaining months of the unused portion of the
50 24 annual registration fee, the county treasurer shall issue a
50 25 new registration card and registration plates, validation
50 26 stickers, or emblems which indicate the month and year of
50 27 expiration of registration.

50 28 Sec. 56. Section 321.30, subsection 1, paragraphs e and f,

50 29 Code Supplement 2007, are amended to read as follows:
50 30 e. That the required ~~fee has~~ registration fees have not
50 31 been paid except as provided in section 321.48.
50 32 f. ~~That For a vehicle subject only to a certificate of~~
50 33 ~~title or a manufactured home, that~~ the required use tax has
50 34 not been paid.

50 35 Sec. 57. Section 321.30, subsection 3, paragraph b, Code
51 1 Supplement 2007, is amended to read as follows:
51 2 b. If the applicant for registration of the vehicle has
51 3 failed to pay the required annual registration ~~fees~~ fee or the
51 4 fee for new registration of any vehicle owned or previously
51 5 owned when the ~~registration~~ fee was required to be paid by the
51 6 applicant, and for which vehicle the registration was
51 7 suspended or revoked under section 321.101, subsection 1,
51 8 paragraph "d", or section 321.101A, until the ~~fees are~~ fee is
51 9 paid together with any accrued penalties.

51 10 Sec. 58. Section 321.34, subsection 2, unnumbered
51 11 paragraph 1, Code Supplement 2007, is amended to read as
51 12 follows:
51 13 In lieu of issuing new registration plates each
51 14 registration year for a vehicle renewing registration, the
51 15 department may reassign the registration plates previously
51 16 issued to the vehicle and may adopt and prescribe an annual
51 17 validation sticker indicating payment of annual registration
51 18 fees. The department shall issue one validation sticker for
51 19 each set of registration plates. The sticker shall specify
51 20 the month and year of expiration of the registration plates.
51 21 The sticker shall be displayed only on the rear registration
51 22 plate, except that the sticker shall be displayed on the front
51 23 registration plate of a truck tractor.

51 24 Sec. 59. Section 321.34, subsection 5, paragraphs b and c,
51 25 Code Supplement 2007, is amended to read as follows:
51 26 b. The county treasurer shall validate personalized
51 27 registration plates in the same manner as regular registration
51 28 plates are validated under this section at an annual fee of
51 29 five dollars in addition to the regular annual registration
51 30 fee. A person renewing a personalized registration plate
51 31 within one month following the time requirements under section
51 32 321.40 may renew the personalized plate without paying the
51 33 additional registration fee under paragraph "a" but shall pay
51 34 the five-dollar fee in addition to the regular annual
51 35 registration fee and any penalties subject to regular
52 1 registration plate holders for late renewal.

52 2 c. The fees collected by the director under this ~~section~~
52 3 ~~subsection~~ shall be paid to the treasurer of state and
52 4 credited by the treasurer of state as provided in section
52 5 321.145.

52 6 Sec. 60. Section 321.34, subsection 7, paragraph c, Code
52 7 Supplement 2007, is amended to read as follows:
52 8 c. (1) The fees for a collegiate registration plate are
52 9 as follows:
52 10 (1) ~~(a)~~ A registration fee of twenty-five dollars.
52 11 (2) ~~(b)~~ A special collegiate registration fee of
52 12 twenty-five dollars.
52 13 (2) These fees are in addition to the regular annual
52 14 registration fee. The fees collected by the director under
52 15 this subsection shall be paid monthly to the treasurer of
52 16 state and ~~credited by the treasurer of state to deposited in~~
52 17 ~~the road use tax fund. Notwithstanding section 423.43 and~~
52 18 ~~prior to the revenues being credited to the road use tax fund~~
52 19 ~~under section 423.43, subsection 1, paragraph "b", the The~~
52 20 ~~treasurer of state shall credit monthly from those revenues~~
52 21 ~~respectively the statutory allocations fund created under~~
52 22 ~~section 321.145, subsection 2, to Iowa state university of~~
52 23 ~~science and technology, the university of northern Iowa, and~~
52 24 ~~the state university of Iowa respectively, the amount of the~~
52 25 ~~special collegiate registration fees collected in the previous~~
52 26 ~~month for collegiate registration plates designed for the~~
52 27 ~~university. The moneys credited are appropriated to the~~
52 28 ~~respective universities to be used for scholarships for~~
52 29 ~~students attending the universities.~~

52 30 Sec. 61. Section 321.34, subsection 10, paragraph c, Code
52 31 Supplement 2007, is amended to read as follows:
52 32 c. The special fees collected by the director under this
52 33 subsection shall be paid monthly to the treasurer of state and
52 34 ~~credited to deposited in the road use tax fund.~~
52 35 ~~Notwithstanding section 423.43, and prior to the crediting of~~
53 1 ~~revenues to the road use tax fund under section 423.43,~~
53 2 ~~subsection 1, paragraph "b", the The~~ treasurer of state shall
53 3 transfer monthly from ~~those revenues~~ the statutory allocations
53 4 fund created under section 321.145, subsection 2, to the Paul

53 5 Ryan memorial fire fighter safety training fund created
53 6 pursuant to section 100B.12 the amount of the special fees
53 7 collected in the previous month for the fire fighter plates.
53 8 Sec. 62. Section 321.34, subsection 10A, paragraph b, Code
53 9 Supplement 2007, is amended to read as follows:
53 10 b. The special fees collected by the director under this
53 11 subsection shall be paid monthly to the treasurer of state and
53 12 ~~credited to deposited in~~ the road use tax fund.
53 13 ~~Notwithstanding section 423.43, and prior to the crediting of~~
53 14 ~~revenues to the road use tax fund under section 423.43,~~
53 15 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
53 16 transfer monthly from ~~those revenues~~ the statutory allocations
53 17 fund created under section 321.145, subsection 2, to the
53 18 emergency medical services fund created in section 135.25 the
53 19 amount of the special fees collected in the previous month for
53 20 issuance of emergency medical services plates.
53 21 Sec. 63. Section 321.34, subsection 11, paragraph c, Code
53 22 Supplement 2007, is amended to read as follows:
53 23 c. (1) The special natural resources fee for letter
53 24 number designated natural resources plates is forty=five
53 25 dollars. The fee for personalized natural resources plates is
53 26 forty=five dollars which shall be paid in addition to the
53 27 special natural resources fee of forty=five dollars. The fees
53 28 collected by the director under this subsection shall be paid
53 29 monthly to the treasurer of state and ~~credited to deposited in~~
53 30 ~~the road use tax fund. Notwithstanding section 423.43, and~~
53 31 ~~prior to the crediting of revenues to the road use tax fund~~
53 32 ~~under section 423.43, subsection 1, paragraph "b", the~~ The
53 33 treasurer of state shall credit monthly from ~~those revenues~~
53 34 the statutory allocations fund created under section 321.145,
53 35 subsection 2, to the Iowa resources enhancement and protection
54 1 fund created pursuant to section 455A.18, the amount of the
54 2 special natural resources fees collected in the previous month
54 3 for the natural resources plates.
54 4 (2) From the moneys credited to the Iowa resources
54 5 enhancement and protection fund under ~~this paragraph "c",~~
54 6 subparagraph (1), ten dollars of the fee collected for each
54 7 natural resources plate issued, and fifteen dollars from each
54 8 renewal fee, shall be allocated to the department of natural
54 9 resources wildlife bureau to be used for nongame wildlife
54 10 programs.
54 11 Sec. 64. Section 321.34, subsection 11A, paragraph c, Code
54 12 Supplement 2007, is amended to read as follows:
54 13 c. The special fee for letter number designated love our
54 14 kids plates is thirty=five dollars. The fee for personalized
54 15 love our kids plates is twenty=five dollars, which shall be
54 16 paid in addition to the special love our kids fee of
54 17 thirty=five dollars. The fees collected by the director under
54 18 this subsection shall be paid monthly to the treasurer of
54 19 state and ~~credited to deposited in~~ the road use tax fund.
54 20 ~~Notwithstanding section 423.43, and prior to the crediting of~~
54 21 ~~revenues to the road use tax fund under section 423.43,~~
54 22 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
54 23 transfer monthly from ~~those revenues~~ the statutory allocations
54 24 fund created under section 321.145, subsection 2, to the Iowa
54 25 department of public health the amount of the special fees
54 26 collected in the previous month for the love our kids plates.
54 27 Notwithstanding section 8.33, moneys transferred under this
54 28 subsection shall not revert to the general fund of the state.
54 29 Sec. 65. Section 321.34, subsection 11B, paragraph c, Code
54 30 Supplement 2007, is amended to read as follows:
54 31 c. The special fee for letter number designated motorcycle
54 32 rider education plates is thirty=five dollars. The fee for
54 33 personalized motorcycle rider education plates is twenty=five
54 34 dollars, which shall be paid in addition to the special
54 35 motorcycle rider education fee of thirty=five dollars. The
55 1 fees collected by the director under this subsection shall be
55 2 paid monthly to the treasurer of state and ~~credited to~~
55 3 deposited in the road use tax fund. ~~Notwithstanding section~~
55 4 ~~423.43, and prior to the crediting of revenues to the road use~~
55 5 ~~tax fund under section 423.43, subsection 1, paragraph "b",~~
55 6 ~~the~~ The treasurer of state shall transfer monthly from ~~those~~
55 7 revenues the statutory allocations fund created under section
55 8 321.145, subsection 2, to the department for use in accordance
55 9 with section 321.180B, subsection 6, the amount of the special
55 10 fees collected in the previous month for the motorcycle rider
55 11 education plates.
55 12 Sec. 66. Section 321.34, subsection 13, paragraph d, Code
55 13 Supplement 2007, is amended to read as follows:
55 14 d. A state agency may submit a request to the department
55 15 recommending a special registration plate. The alternate fee

55 16 for letter number designated plates is thirty=five dollars
55 17 with a ten dollar annual special renewal fee. The fee for
55 18 personalized plates is twenty=five dollars which is in
55 19 addition to the alternative fee of thirty=five dollars with an
55 20 annual personalized plate renewal fee of five dollars which is
55 21 in addition to the special renewal fee of ten dollars. The
55 22 alternate fees are in addition to the regular annual
55 23 registration fee. The alternate fees collected under this
55 24 paragraph shall be paid monthly to the treasurer of state and
55 25 ~~credited to deposited in~~ the road use tax fund.
55 26 ~~Notwithstanding section 423.43, and prior to the crediting of~~
55 27 ~~the revenues to the road use tax fund under section 423.43,~~
55 28 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
55 29 credit monthly ~~from the statutory allocations fund created~~
55 30 ~~under section 321.145, subsection 2, the amount of the~~
55 31 alternate fees collected in the previous month to the state
55 32 agency that recommended the special registration plate.
55 33 Sec. 67. Section 321.34, subsection 16, unnumbered
55 34 paragraph 1, Code Supplement 2007, is amended to read as
55 35 follows:

56 1 An owner referred to in subsection 12 who is a member of
56 2 the national guard, as defined in chapter 29A, may, upon
56 3 written application to the department, order special
56 4 registration plates with a national guard processed emblem
56 5 with the emblem designed by the department in cooperation with
56 6 the adjutant general which emblem signifies that the applicant
56 7 is a member of the national guard. The application shall be
56 8 approved by the department in consultation with the adjutant
56 9 general. The special plate fees collected by the director
56 10 under subsection 12, paragraph "a", from the issuance and
56 11 annual validation of letter=number designated and personalized
56 12 national guard plates shall be paid monthly to the treasurer
56 13 of state and ~~credited to deposited in~~ the road use tax fund.
56 14 ~~Notwithstanding section 423.43, and prior to the crediting of~~
56 15 ~~revenues to the road use tax fund under section 423.43,~~
56 16 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
56 17 transfer monthly ~~from those revenues the statutory allocations~~
56 18 ~~fund created under section 321.145, subsection 2, to the~~
56 19 veterans license fee fund created in section 35A.11 the amount
56 20 of the special fees collected in the previous month for
56 21 national guard plates. Special registration plates with a
56 22 national guard processed emblem shall be surrendered, as
56 23 provided in subsection 12, in exchange for regular
56 24 registration plates upon termination of the owner's membership
56 25 in the active national guard.

56 26 Sec. 68. Section 321.34, subsection 17, unnumbered
56 27 paragraph 1, Code Supplement 2007, is amended to read as
56 28 follows:
56 29 An owner referred to in subsection 12 who was at Pearl
56 30 Harbor, Hawaii, as a member of the armed services of the
56 31 United States on December 7, 1941, may, upon written
56 32 application to the department, order special registration
56 33 plates with a Pearl Harbor processed emblem. The emblem shall
56 34 be designed by the department in consultation with service
56 35 organizations. The application is subject to approval by the
57 1 department. The special plate fees collected by the director
57 2 under subsection 12, paragraph "a", from the issuance and
57 3 annual validation of letter=number designated and personalized
57 4 Pearl Harbor plates shall be paid monthly to the treasurer of
57 5 state and ~~credited to deposited in~~ the road use tax fund.
57 6 ~~Notwithstanding section 423.43, and prior to the crediting of~~
57 7 ~~revenues to the road use tax fund under section 423.43,~~
57 8 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
57 9 transfer monthly ~~from those revenues the statutory allocations~~
57 10 ~~fund created under section 321.145, subsection 2, to the~~
57 11 veterans license fee fund created in section 35A.11 the amount
57 12 of the special fees collected in the previous month for Pearl
57 13 Harbor plates.

57 14 Sec. 69. Section 321.34, subsection 18, unnumbered
57 15 paragraph 1, Code Supplement 2007, is amended to read as
57 16 follows:
57 17 An owner referred to in subsection 12 who was awarded a
57 18 purple heart medal by the United States government for wounds
57 19 received in military or naval combat against an armed enemy of
57 20 the United States may, upon written application to the
57 21 department and presentation of satisfactory proof of the award
57 22 of the purple heart medal, order special registration plates
57 23 with a purple heart processed emblem. The design of the
57 24 emblem shall include a representation of a purple heart medal
57 25 and ribbon. The application is subject to approval by the
57 26 department in consultation with the adjutant general. The

57 27 special plate fees collected by the director under subsection
57 28 12, paragraph "a", from the issuance and annual validation of
57 29 letter=number designated and personalized purple heart plates
57 30 shall be paid monthly to the treasurer of state and ~~credited~~
~~57 31 to deposited in the road use tax fund. Notwithstanding~~
~~57 32 section 423.43, and prior to the crediting of revenues to the~~
~~57 33 road use tax fund under section 423.43, subsection 1,~~
~~57 34 paragraph "b", the~~ The treasurer of state shall transfer
57 35 monthly from ~~those revenues the statutory allocations fund~~
~~58 1 created under section 321.145, subsection 2,~~ to the veterans
58 2 license fee fund created in section 35A.11 the amount of the
58 3 special fees collected in the previous month for purple heart
58 4 plates.

58 5 Sec. 70. Section 321.34, subsection 19, unnumbered
58 6 paragraph 1, Code Supplement 2007, is amended to read as
58 7 follows:

58 8 An owner referred to in subsection 12 who is a retired
58 9 member of the United States armed forces may, upon written
58 10 application to the department and upon presentation of
58 11 satisfactory proof of membership, order special registration
58 12 plates with a United States armed forces retired processed
58 13 emblem. The emblem shall be designed by the department in
58 14 consultation with service organizations. The application is
58 15 subject to approval by the department. For purposes of this
58 16 subsection, a person is considered to be retired if the person
58 17 is recognized by the United States armed forces as retired
58 18 from the United States armed forces. The special plate fees
58 19 collected by the director under subsection 12, paragraph "a",
58 20 from the issuance and annual validation of letter=number
58 21 designated and personalized armed forces retired plates shall
58 22 be paid monthly to the treasurer of state and ~~credited to~~
~~58 23 deposited in the road use tax fund. Notwithstanding section~~
~~58 24 423.43, and prior to the crediting of revenues to the road use~~
~~58 25 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~58 26 the~~ The treasurer of state shall transfer monthly from ~~those~~
~~58 27 revenues the statutory allocations fund created under section~~
~~58 28 321.145, subsection 2,~~ to the veterans license fee fund
58 29 created in section 35A.11 the amount of the special fees
58 30 collected in the previous month for armed forces retired
58 31 plates.

58 32 Sec. 71. Section 321.34, subsection 20, unnumbered
58 33 paragraph 1, Code Supplement 2007, is amended to read as
58 34 follows:

58 35 An owner referred to in subsection 12 who was awarded a
59 1 silver or a bronze star by the United States government, may,
59 2 upon written application to the department and presentation of
59 3 satisfactory proof of the award of the silver or bronze star,
59 4 order special registration plates with a silver or bronze star
59 5 processed emblem. The emblem shall be designed by the
59 6 department in consultation with the adjutant general. The
59 7 special plate fees collected by the director under subsection
59 8 12, paragraph "a", from the issuance and annual validation of
59 9 letter=number designated and personalized silver star and
59 10 bronze star plates shall be paid monthly to the treasurer of
59 11 state and ~~credited to deposited in the road use tax fund.~~
~~59 12 Notwithstanding section 423.43, and prior to the crediting of~~
~~59 13 revenues to the road use tax fund under section 423.43,~~
~~59 14 subsection 1, paragraph "b", the~~ The treasurer of state shall
59 15 transfer monthly from ~~those revenues the statutory allocations~~
~~59 16 fund created under section 321.145, subsection 2,~~ to the
59 17 veterans license fee fund created in section 35A.11 the amount
59 18 of the special fees collected in the previous month for silver
59 19 star and bronze star plates.

59 20 Sec. 72. Section 321.34, subsection 20A, unnumbered
59 21 paragraph 1, Code Supplement 2007, is amended to read as
59 22 follows:

59 23 An owner referred to in subsection 12 who was awarded a
59 24 distinguished service cross, a navy cross, or an air force
59 25 cross by the United States government may, upon written
59 26 application to the department and presentation of satisfactory
59 27 proof of the award, order special registration plates with a
59 28 distinguished service cross, navy cross, or air force cross
59 29 processed emblem. The emblem shall be designed by the
59 30 department in consultation with the adjutant general. The
59 31 special plate fees collected by the director under subsection
59 32 12, paragraph "a", from the issuance and annual validation of
59 33 letter=number designated and personalized distinguished
59 34 service cross, navy cross, and air force cross plates shall be
59 35 paid monthly to the treasurer of state and ~~credited to~~
60 1 ~~deposited in the road use tax fund. Notwithstanding section~~
~~60 2 423.43, and prior to the crediting of revenues to the road use~~

~~60 3 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~60 4 the The treasurer of state shall transfer monthly from those~~
~~60 5 revenues the statutory allocations fund created under section~~
~~60 6 321.145, subsection 2, to the veterans license fee fund~~
60 7 created in section 35A.11 the amount of the special fees
60 8 collected in the previous month for distinguished service
60 9 cross, navy cross, and air force cross plates.
60 10 Sec. 73. Section 321.34, subsection 20B, unnumbered
60 11 paragraph 1, Code Supplement 2007, is amended to read as
60 12 follows:
60 13 An owner referred to in subsection 12 who was awarded a
60 14 soldier's medal, a navy and marine corps medal, or an airman's
60 15 medal by the United States government may, upon written
60 16 application to the department and presentation of satisfactory
60 17 proof of the award, order special registration plates with a
60 18 soldier's medal, navy and marine corps medal, or airman's
60 19 medal processed emblem. The emblem shall be designed by the
60 20 department in consultation with the adjutant general. The
60 21 special plate fees collected by the director under subsection
60 22 12, paragraph "a", from the issuance and annual validation of
60 23 letter=number designated and personalized soldier's medal,
60 24 navy and marine corps medal, and airman's medal plates shall
60 25 be paid monthly to the treasurer of state and ~~credited to~~
~~60 26 deposited in the road use tax fund. Notwithstanding section~~
~~60 27 423.43, and prior to the crediting of revenues to the road use~~
~~60 28 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~60 29 the The treasurer of state shall transfer monthly from those~~
~~60 30 revenues the statutory allocations fund created under section~~
~~60 31 321.145, subsection 2, to the veterans license fee fund~~
60 32 created in section 35A.11 the amount of the special fees
60 33 collected in the previous month for soldier's medal, navy and
60 34 marine corps medal, and airman's medal plates.
60 35 Sec. 74. Section 321.34, subsection 21, paragraph c, Code
61 1 Supplement 2007, is amended to read as follows:
61 2 c. The special fees collected by the director under this
61 3 subsection shall be paid monthly to the treasurer of state and
61 4 ~~credited to deposited in the road use tax fund.~~
61 5 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~61 6 revenues to the road use tax fund under section 423.43,~~
~~61 7 subsection 1, paragraph "b", the The treasurer of state shall~~
61 8 credit monthly ~~from the statutory allocations fund created~~
~~61 9 under section 321.145, subsection 2, to the Iowa heritage fund~~
61 10 created under section 303.9A the amount of the special fees
61 11 collected in the previous month for the Iowa heritage plates.
61 12 Sec. 75. Section 321.34, subsection 22, paragraph b, Code
61 13 Supplement 2007, is amended to read as follows:
61 14 b. The special school transportation fee for letter number
61 15 designated education plates is thirty=five dollars. The fee
61 16 for personalized education plates is twenty=five dollars,
61 17 which shall be paid in addition to the special school
61 18 transportation fee of thirty=five dollars. The annual special
61 19 school transportation fee is ten dollars for letter number
61 20 designated registration plates and is fifteen dollars for
61 21 personalized registration plates which shall be paid in
61 22 addition to the regular annual registration fee. The fees
61 23 collected by the director under this subsection shall be paid
61 24 monthly to the treasurer of state and ~~credited to deposited in~~
~~61 25 the road use tax fund. Notwithstanding section 423.43, and~~
~~61 26 prior to the crediting of revenues to the road use tax fund~~
~~61 27 under section 423.43, subsection 1, paragraph "b", the The~~
61 28 treasurer of state shall transfer monthly from ~~those revenues~~
~~61 29 the statutory allocations fund created under section 321.145,~~
~~61 30 subsection 2, to the school budget review committee in~~
61 31 accordance with section 257.31, subsection 17, the amount of
61 32 the special school transportation fees collected in the
61 33 previous month for the education plates.
61 34 Sec. 76. Section 321.34, subsection 23, paragraph c, Code
61 35 Supplement 2007, is amended to read as follows:
62 1 c. The special fee for letter number designated breast
62 2 cancer awareness plates is thirty=five dollars. The fee for
62 3 personalized breast cancer awareness plates is twenty=five
62 4 dollars, which shall be paid in addition to the special breast
62 5 cancer awareness fee of thirty=five dollars. The fees
62 6 collected by the director under this subsection shall be paid
62 7 monthly to the treasurer of state and ~~credited to deposited in~~
~~62 8 the road use tax fund. Notwithstanding section 423.43, and~~
~~62 9 prior to the crediting of revenues to the road use tax fund~~
~~62 10 under section 423.43, subsection 1, paragraph "b", the The~~
62 11 treasurer of state shall transfer monthly from ~~those revenues~~
~~62 12 the statutory allocations fund created under section 321.145,~~
~~62 13 subsection 2, to the Iowa department of public health the~~

62 14 amount of the special fees collected in the previous month for
62 15 the breast cancer awareness plates and such funds are
62 16 appropriated to the Iowa department of public health. The
62 17 Iowa department of public health shall distribute one hundred
62 18 percent of the funds received monthly in the form of grants to
62 19 support breast cancer screenings for both men and women who
62 20 meet eligibility requirements like those established by the
62 21 Susan G. Komen foundation. In the awarding of grants, the
62 22 Iowa department of public health shall give first
62 23 consideration to affiliates of the Susan G. Komen foundation
62 24 and similar nonprofit organizations providing for breast
62 25 cancer screenings at no cost in Iowa. Notwithstanding section
62 26 8.33, moneys transferred under this subsection shall not
62 27 revert to the general fund of the state.

62 28 Sec. 77. Section 321.34, subsection 24, Code Supplement
62 29 2007, is amended to read as follows:

62 30 24. GOLD STAR PLATES. An owner referred to in subsection
62 31 12 who is the surviving spouse, parent, child, or sibling of a
62 32 deceased member of the United States armed forces who died
62 33 while serving on active duty during a time of military
62 34 conflict may order special registration plates bearing a gold
62 35 star emblem upon written application to the department
63 1 accompanied by satisfactory supporting documentation as
63 2 determined by the department. The gold star emblem shall be
63 3 designed by the department in cooperation with the commission
63 4 of veterans affairs. The special plate fees collected by the
63 5 director under subsection 12, paragraph "a", from the issuance
63 6 and annual validation of letter-number designated and
63 7 personalized gold star plates shall be paid monthly to the
63 8 treasurer of state and ~~credited to deposited in the road use~~
63 9 ~~tax fund. Notwithstanding section 423.43, and prior to the~~
63 10 ~~crediting of revenues to the road use tax fund under section~~
63 11 ~~423.43, subsection 1, paragraph "b", the~~ The treasurer of
63 12 state shall transfer monthly from ~~those revenues the statutory~~
63 13 ~~allocations fund created under section 321.145, subsection 2,~~
63 14 to the veterans license fee fund created in section 35A.11 the
63 15 amount of the special fees collected in the previous month for
63 16 gold star plates.

63 17 Sec. 78. Section 321.39, subsections 3 and 4, Code 2007,
63 18 are amended to read as follows:

63 19 3. For vehicles on which the first installment of an
63 20 annual registration fee has been paid, at midnight on the last
63 21 day of June or the first business day of July when June 30
63 22 falls on Saturday, Sunday, or a holiday; for vehicles on which
63 23 the second installment of an annual registration fee has been
63 24 paid, at midnight on the last day of December or the first
63 25 business day of January when December 31 falls on Saturday,
63 26 Sunday, or a holiday.

63 27 4. For vehicles registered without payment of annual
63 28 registration fees as provided in section 321.19, when
63 29 designated by the department.

63 30 5. Registration for every vehicle registered by the county
63 31 treasurer shall expire upon transfer of ownership.

63 32 Sec. 79. Section 321.40, subsection 1, Code Supplement
63 33 2007, is amended to read as follows:

63 34 1. Application for renewal of a vehicle registration shall
63 35 be made on or after the first day of the month prior to the
64 1 month of expiration of registration and up to and including
64 2 the last day of the month following the month of expiration of
64 3 registration. The registration shall be renewed upon payment
64 4 of the appropriate annual registration fee. Application for
64 5 renewal for a vehicle registered under chapter 326 shall be
64 6 made on or after the first day of the month of expiration of
64 7 registration and up to and including the last day of the month
64 8 following the month of expiration of registration.

64 9 Sec. 80. Section 321.46, subsections 2, 3, 4, 6, and 7,
64 10 Code 2007, are amended to read as follows:

64 11 2. Upon filing the application for a new registration and
64 12 a new title, the applicant shall pay a title fee of ten
64 13 dollars ~~and a~~, an annual registration fee prorated for the
64 14 remaining unexpired months of the registration year, and a fee
64 15 for new registration if applicable. A manufacturer applying

64 16 for a certificate of title pursuant to section 322G.12 shall
64 17 pay a title fee of two dollars. However, a title fee shall
64 18 not be charged to a manufactured or mobile home retailer
64 19 applying for a certificate of title for a used mobile home or
64 20 manufactured home, titled in Iowa, as required under section
64 21 321.45, subsection 4. The county treasurer, if satisfied of
64 22 the genuineness and regularity of the application, and in the
64 23 case of a mobile home or manufactured home, that taxes are not
64 24 owing under chapter 435, and that applicant has complied with

64 25 all the requirements of this chapter, shall issue a new
64 26 certificate of title and, except for a mobile home,
64 27 manufactured home, or a vehicle returned to and accepted by a
64 28 manufacturer as described in section 322G.12, a registration
64 29 card to the purchaser or transferee, shall cancel the prior
64 30 registration for the vehicle, and shall forward the necessary
64 31 copies to the department on the date of issuance, as
64 32 prescribed in section 321.24. Mobile homes or manufactured
64 33 homes titled under chapter 448 that have been subject under
64 34 section 446.18 to a public bidder sale in a county shall be
64 35 titled in the county's name, with no fee, and the county
65 1 treasurer shall issue the title.

65 2 3. The applicant shall be entitled to a credit for that
65 3 portion of the annual registration fee of the vehicle sold,
65 4 traded, or junked which had not expired prior to the transfer
65 5 of ownership of the vehicle. The annual registration fee for
65 6 the new registration for the vehicle acquired shall be reduced
65 7 by the amount of the credit. The credit shall be computed on
65 8 the basis of the number of months remaining in the
65 9 registration year, rounded to the nearest whole dollar. The
65 10 credit shall be subject to the following limitations:

65 11 a. The credit shall be claimed within thirty days from the
65 12 date the vehicle for which credit is granted was sold,
65 13 transferred, or junked. After thirty days, all credits shall
65 14 be disallowed.

65 15 b. Any credit granted to the owner of a vehicle which has
65 16 been sold, traded, or junked may only be claimed by that
65 17 person toward the annual registration fee for another vehicle
65 18 purchased and the credit may not be sold, transferred, or
65 19 assigned to any other person.

65 20 c. When the amount of the credit is computed to be an
65 21 amount of less than ten dollars, a credit shall be disallowed.

65 22 d. To claim a credit for the unexpired annual registration
65 23 fee on a junked vehicle, the county treasurer shall disallow
65 24 any claim for credit unless the owner presents a junking
65 25 certificate or other evidence as required by the department to
65 26 the county treasurer.

65 27 e. A credit shall not be allowed to any person who has
65 28 made claim to receive a refund under section 321.126.

65 29 f. If the credit allowed exceeds the amount of the annual
65 30 registration fee for the vehicle acquired, the owner may claim
65 31 a refund under section 321.126, subsection 6, for the balance
65 32 of the credit.

65 33 g. The credit shall be computed on the unexpired number of
65 34 months computed from the date of purchase of the vehicle
65 35 acquired.

66 1 4. If the annual registration fee upon application is
66 2 delinquent, the applicant shall be required to pay the
66 3 delinquent fee from the first day the annual registration fee
66 4 was due prorated to the month of application for new title.

66 5 6. An applicant for a new registration for a vehicle
66 6 transferred to the applicant by a spouse, parent, or child of
66 7 the applicant, or by operation of law upon inheritance, devise
66 8 or bequest, from the applicant's spouse, parent, or child, or
66 9 by a former spouse pursuant to a decree of dissolution of
66 10 marriage, is entitled to a credit to be applied to the annual
66 11 registration fee for the transferred vehicle. A credit shall
66 12 not be allowed unless the vehicle to which the credit applies
66 13 is registered within the time specified under subsection 1.
66 14 The credit shall be computed on the basis of the number of
66 15 unexpired months remaining in the registration year of the
66 16 former owner computed from the date the vehicle was
66 17 transferred, computed to the nearest whole dollar. The credit
66 18 may exceed the amount of the annual registration fee for the
66 19 transferred vehicle. When the amount of the credit is
66 20 computed to be an amount of less than ten dollars, the credit
66 21 shall be disallowed. The credit shall not be sold,
66 22 transferred, or assigned to any other person.

66 23 7. If a motor vehicle is leased and the lessee purchases
66 24 the vehicle upon termination of the lease, the lessor shall,
66 25 upon claim by the lessee with the lessor within thirty days of
66 26 the purchase, assign the annual registration fee credit and
66 27 registration plates for the leased motor vehicle to the
66 28 lessee. Credit shall be applied as provided in subsection 3.

66 29 Sec. 81. Section 321.46A, Code 2007, is amended to read as
66 30 follows:

66 31 321.46A CHANGE FROM PROPORTIONAL REGISTRATION == CREDIT.

66 32 An owner changing a vehicle's registration from
66 33 proportional registration under chapter 326 to registration
66 34 under this chapter shall be entitled to a credit on the
66 35 vehicle's annual registration fees under this chapter. The

67 1 credit shall be allowed when the owner surrenders to the
67 2 county treasurer proof of proportional registration provided
67 3 by the department. The amount of the credit shall be
67 4 calculated based on the unexpired complete calendar months
67 5 remaining in the registration year from the date the
67 6 application is filed with the county treasurer.

67 7 Sec. 82. Section 321.52, subsections 1 and 3, Code
67 8 Supplement 2007, are amended to read as follows:

67 9 1. When a vehicle is sold outside the state for purposes
67 10 other than for junk, the owner, dealer or otherwise, shall
67 11 detach the registration plates and registration card and shall
67 12 indicate on the registration card the name and address of the
67 13 foreign purchaser or transferee over the person's signature.
67 14 Unless the registration plates are legally attached to another
67 15 vehicle, the owner shall surrender the registration plates and
67 16 registration card to the county treasurer, who shall cancel
67 17 the records, destroy the registration plates, and forward the
67 18 registration card to the department. The department shall
67 19 make a notation on the records of the out-of-state sale and,
67 20 after a reasonable period, may destroy the files for that
67 21 particular vehicle. The department is not authorized to make
67 22 a refund of annual registration fees on a vehicle sold out of
67 23 state unless it receives the registration card completed as
67 24 provided in this section.

67 25 3. When a vehicle for which a certificate of title is
67 26 issued is junked or dismantled by the owner, the owner shall
67 27 detach the registration plates and surrender the plates to the
67 28 county treasurer, unless the plates are properly assigned to
67 29 another vehicle. The owner shall also surrender the
67 30 certificate of title to the county treasurer. Upon
67 31 surrendering the certificate of title and application for
67 32 junking certificate, the county treasurer shall issue to the
67 33 person, without fee, a junking certificate, which shall
67 34 authorize the holder to possess, transport or transfer
67 35 ownership of the junked vehicle by endorsement of the junking
68 1 certificate. The county treasurer shall hold the surrendered
68 2 certificate of title, registration receipt, application for
68 3 junking certificate, and, if applicable, the registration
68 4 plates for a period of fourteen days following the issuance of
68 5 a junking certificate under this subsection. Within the
68 6 fourteen-day period the person who was issued the junking
68 7 certificate and to whom the vehicle was titled or assigned may
68 8 surrender to the county treasurer the junking certificate, and
68 9 upon the person's payment of appropriate fees and taxes and
68 10 payment of any credit for annual registration fees received by
68 11 the person for the vehicle under section 321.46, subsection 3,
68 12 the county treasurer shall issue to the person a certificate
68 13 of title for the vehicle. After the expiration of the
68 14 fourteen-day period, a county treasurer shall not issue a
68 15 certificate of title for a junked vehicle for which a junking
68 16 certificate is issued. The county treasurer shall cancel the
68 17 record of the vehicle and forward the certificate of title to
68 18 the department.

68 19 However, upon application the department upon a showing of
68 20 good cause may issue a certificate of title after the
68 21 fourteen-day period for a junked vehicle for which a junking
68 22 certificate has been issued. For purposes of this subsection,
68 23 "good cause" means that the junking certificate was obtained
68 24 by mistake or inadvertence. If a person's application to the
68 25 department is denied, the person may make application for a
68 26 certificate of title under the bonding procedure as provided
68 27 in section 321.24, if the vehicle qualifies as an antique
68 28 vehicle under section 321.115, subsection 1, or the person may
68 29 seek judicial review as provided under sections 17A.19 and
68 30 17A.20.

68 31 Sec. 83. Section 321.70, Code 2007, is amended to read as
68 32 follows:

68 33 321.70 DEALER VEHICLES.

68 34 A dealer registered under this chapter shall not be
68 35 required to register any vehicle owned by the dealer which is
69 1 being held for sale or trade, provided the annual registration
69 2 fee was not delinquent at the time the vehicle was acquired by
69 3 the dealer. When a dealer ceases to hold any vehicle for sale
69 4 or trade or the vehicle otherwise becomes subject to
69 5 registration under this chapter the annual registration fee
69 6 and delinquent annual registration fee, if any, shall be due
69 7 for the registration year.

69 8 Sec. 84. Section 321.101, subsection 1, paragraph d, Code
69 9 Supplement 2007, is amended to read as follows:

69 10 d. When the department determines that the required annual
69 11 registration fee has not been paid and the fee is not paid

69 12 upon reasonable notice and demand.

69 13 Sec. 85. Section 321.101A, Code 2007, is amended to read
69 14 as follows:

69 15 321.101A REVOCATION OF REGISTRATION BY COUNTY TREASURER.

69 16 The county treasurer may revoke the registration and
69 17 registration plates of a vehicle if the annual registration
69 18 ~~fees are fee or the fee for new registration is~~ paid by check,
69 19 electronic payment, or credit card and the check, electronic
69 20 payment, or credit card is not honored by the payer's
69 21 financial institution or credit card company, upon reasonable
69 22 notice and demand. The owner of the vehicle or person in
69 23 possession of the registration and registration plates for the
69 24 vehicle shall immediately return the revoked registration and
69 25 registration plates to the appropriate county treasurer's
69 26 office.

69 27 Sec. 86. Section 321.105, Code 2007, is amended to read as
69 28 follows:

69 29 321.105 ANNUAL REGISTRATION FEE REQUIRED.

69 30 1. An annual registration fee shall be paid for each
69 31 vehicle operated upon the public highways of this state unless
69 32 the vehicle is specifically exempted under this chapter. If a
69 33 vehicle, which has been registered for the current
69 34 registration year, is transferred during the registration
69 35 year, the transferee shall reregister the vehicle as provided
70 1 in section 321.46.

70 2 2. The annual registration fee shall be paid to the county
70 3 treasurer at the same time the application is made for the
70 4 registration or reregistration of the motor vehicle or
70 5 trailer. An owner may, when applying for registration or
70 6 reregistration of a motor vehicle or trailer, request that the
70 7 plates be mailed to the owner's post-office address. The
70 8 owner's request shall be accompanied by a mailing fee as
70 9 determined annually by the director in consultation with the
70 10 Iowa county treasurers association.

70 11 3. Upon application by a financial institution, as defined
70 12 in section 422.61, and approval of the application by the
70 13 county treasurer, the county treasurer in any county may
70 14 authorize the financial institution to receive applications
70 15 for renewal of vehicle registrations and payment of the annual
70 16 registration fees. The annual registration fees shall be
70 17 delivered to the county treasurer at the time the county
70 18 treasurer has processed the vehicle registration application.
70 19 ~~Registration Annual registration~~ fees received with vehicle
70 20 registration applications shall be designated as public funds
70 21 only upon receipt of such funds by the county treasurer from
70 22 the financial institution.

70 23 4. In addition to the payment of an annual registration
70 24 fee for each trailer and semitrailer to be issued an annual
70 25 registration plate, an additional registration fee may be paid
70 26 for a period of two or four subsequent registration years.

70 27 5. Seriously disabled veterans who have been provided with
70 28 an automobile or other vehicle by the United States government
70 29 under the provisions of sections 1901 to 1903, Title 38 of the
70 30 United States Code, 38 U.S.C. } 1901 et seq. (1970), shall be
70 31 exempt from payment of any automobile registration fee
70 32 provided in this chapter, and shall be provided, without fee,
70 33 with a registration plate. The disabled veteran, to be able
70 34 to claim the above benefit, must be a resident of the state of
70 35 Iowa. The disabled veteran may obtain a special or
71 1 personalized plate under section 321.34 by paying the
71 2 difference between the fee for a regular registration plate
71 3 and the fee for the special or personalized registration
71 4 plate.

71 5 Sec. 87. Section 321.106, subsections 1, 2, and 4, Code
71 6 2007, are amended to read as follows:

71 7 1. When a vehicle is registered under chapter 326 or a
71 8 motor truck, truck tractor, or road tractor is registered for
71 9 a combined gross weight exceeding five tons and there is no
71 10 delinquency and the registration is made in February or
71 11 succeeding months through November, the annual registration
71 12 fee shall be prorated for the remaining unexpired months of
71 13 the registration year. A fee shall not be required for the
71 14 month of December for a vehicle registered on a calendar year
71 15 basis on which there is no delinquency. However, except for a
71 16 vehicle registered under chapter 326, when such a vehicle is
71 17 registered in November, the vehicle may be registered for the
71 18 remaining unexpired months of the registration year or for the
71 19 remaining unexpired months of the registration year and for
71 20 the next registration year, upon payment of the applicable
71 21 registration fees.

71 22 2. When a vehicle is registered on a birth month basis and

71 23 there is no delinquency and the registration is made in the
71 24 month after the beginning of the registration year or
71 25 succeeding months, the annual registration fee shall be
71 26 prorated for the remaining unexpired months of the
71 27 registration year. A fee shall not be required for the month
71 28 of the owner's birthday for a vehicle on which there is no
71 29 delinquency. However, when a vehicle registered on a birth
71 30 month basis is registered during the eleventh month of the
71 31 registration year, the vehicle may be registered for the
71 32 remaining unexpired months of the registration year or for the
71 33 remaining unexpired months of the registration year and for
71 34 the next registration year, upon payment of the applicable
71 35 registration fees.

72 1 4. A reduction in the annual registration fee shall not be
72 2 allowed by the department until the applicant files
72 3 satisfactory evidence to prove that there is no delinquency in
72 4 registration.

72 5 Sec. 88. Section 321.109, subsection 3, Code 2007, is
72 6 amended to read as follows:

72 7 3. The owner of an unregistered motor vehicle or motor
72 8 vehicle for which the registration is delinquent may make
72 9 application to the county treasurer of the county of residence
72 10 or, if the unregistered or delinquent motor vehicle is
72 11 purchased by a nonresident of the state, to the county
72 12 treasurer in the county of purchase, for a temporary
72 13 thirty-day permit for a fee of twenty-five dollars. The
72 14 permit shall authorize the motor vehicle to be driven or towed
72 15 upon the highway, but shall not authorize a motor truck or
72 16 truck tractor to haul or tow a load. The permit fee shall not
72 17 be considered a registration fee or exempt the owner from
72 18 payment of all other fees, registration fees, and penalties
72 19 due. If the annual registration fee for the motor vehicle is
72 20 delinquent, the annual registration fee and penalty shall
72 21 continue to accrue until paid. The permit fee shall not be
72 22 prorated, refunded, or used as credit as provided under
72 23 section 321.46. The permit shall be displayed in the upper
72 24 left-hand corner of the rear window of all motor vehicles,
72 25 except motorcycles. Permits issued for a motorcycle shall be
72 26 attached to the rear of the motorcycle.

72 27 Sec. 89. Section 321.110, Code 2007, is amended to read as
72 28 follows:

72 29 321.110 REJECTING FRACTIONAL DOLLARS.

72 30 When the annual registration fee, computed according to
72 31 section 321.109, subsection 1, totals a fraction over a
72 32 certain number of dollars the fee shall be arrived at by
72 33 computing to the nearest even dollar.

72 34 Sec. 90. Section 321.113, Code 2007, is amended to read as
72 35 follows:

73 1 321.113 AUTOMATIC REDUCTION.

73 2 1. The annual registration fee for a motor vehicle shall
73 3 not be automatically reduced under this section unless the
73 4 ~~registration~~ fee is based on the value and weight of the motor
73 5 vehicle as provided in section 321.109, subsection 1.

73 6 2. If a motor vehicle is more than five model years old,
73 7 the part of the annual registration fee that is based on the
73 8 value of the vehicle shall be seventy-five percent of the rate
73 9 as fixed when the motor vehicle was new.

73 10 3. If a motor vehicle is more than six model years old,
73 11 the part of the annual registration fee that is based on the
73 12 value of the vehicle shall be fifty percent of the rate as
73 13 fixed when the motor vehicle was new.

73 14 4. If a 1994 model year or newer motor vehicle is nine
73 15 model years old or older the annual registration fee is
73 16 thirty-five dollars. For purposes of determining the portion
73 17 of the annual registration fee under this subsection that is
73 18 based upon the value of the motor vehicle, sixty percent of
73 19 the annual registration fee is attributable to the value of
73 20 the vehicle.

73 21 5. a. If a 1993 model year or older motor vehicle has
73 22 been titled in the same person's name since the vehicle was
73 23 new or the title to the vehicle was transferred prior to
73 24 January 1, 2002, the part of the annual registration fee that
73 25 is based on the value of the vehicle shall be ten percent of
73 26 the rate as fixed when the motor vehicle was new.

73 27 b. If the title of a 1993 model year or older motor
73 28 vehicle is transferred to a new owner or if such a motor
73 29 vehicle is brought into the state on or after January 1, 2002,
73 30 the annual registration fee shall not be based on the weight
73 31 and list price of the motor vehicle, but shall be as follows:

73 32 (1) For a motor vehicle that is model year
73 33 1969 or older:..... \$ 16.00

73 34 (2) For a motor vehicle that is model year
73 35 1970 through 1989:..... \$ 23.00
74 1 (3) For a motor vehicle that is model year
74 2 1990 through 1993:..... \$ 27.00
74 3 For purposes of determining the portion of the annual
74 4 registration fee under this paragraph "b" that is based upon
74 5 the value of the motor vehicle, sixty percent of the annual
74 6 registration fee is attributable to the value of the vehicle.
74 7 Sec. 91. Section 321.117, Code 2007, is amended to read as
74 8 follows:
74 9 321.117 MOTORCYCLE, AMBULANCE, AND HEARSE FEES.
74 10 For all motorcycles the annual registration fee shall be
74 11 twenty dollars. For all motorized bicycles the annual
74 12 registration fee shall be seven dollars. When the motorcycle
74 13 is more than five model years old, the annual registration fee
74 14 shall be ten dollars. The annual registration fee for
74 15 ambulances and hearses shall be fifty dollars. Passenger car
74 16 plates shall be issued for ambulances and hearses.
74 17 Sec. 92. Section 321.119, Code 2007, is amended to read as
74 18 follows:
74 19 321.119 CHURCH BUSES.
74 20 For motor vehicles designed to carry nine passengers or
74 21 more which are owned and used exclusively by a church or
74 22 religious organization to transport passengers to and from
74 23 activities of or sponsored by the church or religious
74 24 organization and not operated for rent or hire for purposes
74 25 unrelated to the activities of the church or religious
74 26 organization, the annual registration fee shall be twenty-five
74 27 dollars.
74 28 Sec. 93. Section 321.121, Code 2007, is amended to read as
74 29 follows:
74 30 321.121 SPECIAL TRUCKS FOR FARM USE.
74 31 1. The annual registration fee for a special truck shall
74 32 be eighty dollars for a gross weight of six tons, one hundred
74 33 dollars for a gross weight of seven tons, one hundred twenty
74 34 dollars for a gross weight of eight tons, and in addition,
74 35 fifteen dollars for each ton over eight tons and not exceeding
75 1 eighteen tons. The annual registration fee for a special
75 2 truck with a gross weight registration exceeding eighteen tons
75 3 but not exceeding nineteen tons shall be three hundred
75 4 twenty-five dollars and for a gross weight registration
75 5 exceeding nineteen tons but not exceeding twenty tons the
75 6 annual registration fee shall be three hundred seventy-five
75 7 dollars. The additional annual registration fee for a special
75 8 truck for a gross weight registration in excess of twenty tons
75 9 is twenty-five dollars for each ton over twenty tons and not
75 10 exceeding thirty-two tons.
75 11 2. A person convicted of or found by audit to be using a
75 12 motor vehicle registered as a special truck for any purpose
75 13 other than permitted by section 321.1, subsection 76, shall,
75 14 in addition to any other penalty imposed by law, be required
75 15 to pay regular annual motor vehicle registration fees upon for
75 16 such motor vehicle.
75 17 Sec. 94. Section 321.123, unnumbered paragraph 1, Code
75 18 2007, is amended to read as follows:
75 19 All trailers except farm trailers, mobile homes, and
75 20 manufactured homes, unless otherwise provided in this section,
75 21 are subject to ~~a~~ an annual registration fee of ten dollars.
75 22 Trailers for which the empty weight is two thousand pounds or
75 23 less are exempt from the certificate of title and lien
75 24 provisions of this chapter. Fees collected under this section
75 25 shall not be reduced or prorated under chapter 326.
75 26 Sec. 95. Section 321.123, subsection 1, unnumbered
75 27 paragraph 1, Code 2007, is amended to read as follows:
75 28 Travel trailers and fifth-wheel travel trailers, except
75 29 those in manufacturer's or dealer's stock, shall be subject to
75 30 an annual registration fee of twenty cents per square foot of
75 31 floor space computed on the exterior overall measurements, but
75 32 excluding three feet occupied by any trailer hitch as provided
75 33 by and certified to by the owner, to the nearest whole dollar.
75 34 When a travel trailer or fifth-wheel travel trailer is
75 35 registered in Iowa for the first time or when title is
76 1 transferred, the annual registration fee shall be prorated on
76 2 a monthly basis. The annual registration fee shall be reduced
76 3 to seventy-five percent of the full fee after the vehicle is
76 4 more than six model years old.
76 5 Sec. 96. Section 321.125, Code 2007, is amended to read as
76 6 follows:
76 7 321.125 EFFECT OF EXEMPTION.
76 8 The exemption of a motor vehicle from ~~a~~ an annual
76 9 registration fee or a fee for new registration shall not

76 10 exempt the operator of such vehicle from the performance of
76 11 any other duty imposed on the operator by this chapter.

76 12 Sec. 97. Section 321.126, Code 2007, is amended to read as
76 13 follows:

76 14 321.126 REFUNDS OF ANNUAL REGISTRATION FEES.

76 15 Refunds of unexpired annual vehicle registration fees shall
76 16 be allowed in accordance with this section, except that no
76 17 refund shall be allowed and paid if the unused portion of the
76 18 fee is less than ten dollars. Subsections 1 and 2 do not
76 19 apply to vehicles registered by the county treasurer. The
76 20 refunds shall be made as follows:

76 21 1. If the vehicle is destroyed by fire or accident, or
76 22 junked and its identity as a vehicle entirely eliminated, the
76 23 owner in whose name the vehicle was registered at the time of
76 24 destruction or dismantling shall return the plates to the
76 25 department and within thirty days thereafter make a statement
76 26 of such destruction or dismantling and make claim for refund.
76 27 With reference to the destruction or dismantling of a vehicle,
76 28 no refund shall be allowed unless a junking certificate has
76 29 been issued, as provided in section 321.52.

76 30 2. If the vehicle is stolen, the owner shall give notice
76 31 of the theft to the department within five days. If the
76 32 vehicle is not recovered by the owner thirty days prior to the
76 33 end of the current registration year, the owner shall make a
76 34 statement of the theft and make claim for refund.

76 35 3. If the vehicle is placed in storage by the owner upon
77 1 the owner's entry into the military service of the United
77 2 States, the owner shall return the plates to the county
77 3 treasurer or the department and make a statement regarding the
77 4 storage and military service and make claim for refund.
77 5 Whenever the owner of a vehicle so placed in storage desires
77 6 to again register the vehicle, the county treasurer or
77 7 department shall compute and collect the fees for registration
77 8 for the registration year commencing in the month the vehicle
77 9 is removed from storage.

77 10 4. If the vehicle is registered by the county treasurer
77 11 during the current registration year and the owner or lessee
77 12 registers the vehicle for proportional registration under
77 13 chapter 326, the owner of the registered vehicle shall
77 14 surrender the registration plates to the county treasurer and
77 15 may file a claim for refund. In lieu of a refund, a credit
77 16 for the annual registration fees paid to the county treasurer
77 17 may be applied by the department to the owner or lessee's
77 18 proportional registration fees upon the surrender of the
77 19 county plates and registration.

77 20 5. A refund for trailers and semitrailers issued a
77 21 multiyear registration plate shall be paid by the department
77 22 upon application.

77 23 6. If a vehicle is sold or junked, the owner in whose name
77 24 the vehicle was registered may make claim to the county
77 25 treasurer or department for a refund of the sold or junked
77 26 vehicle's annual registration fee. Also if the owner of a
77 27 vehicle receives a vehicle registration fee credit under
77 28 section 321.46, subsection 3, and the credit allowed exceeds
77 29 the amount of the annual registration fee for the vehicle
77 30 acquired, the owner may claim a refund for the balance of the
77 31 credit. The refund is subject to the following limitations:

77 32 a. If a vehicle registration fee credit has not been
77 33 received by the owner of the vehicle under section 321.46,
77 34 subsection 3, the refund shall be computed on the basis of the
77 35 number of unexpired months remaining in the registration year
78 1 at the time the vehicle was sold or junked. The refund shall
78 2 be rounded to the nearest whole dollar. Section 321.127,
78 3 subsection 1, does not apply.

78 4 b. The refund shall only be allowed if the owner makes
78 5 claim for the refund within six months after the date of the
78 6 vehicle's sale, trade, or junking.

78 7 c. This subsection does not apply to vehicles registered
78 8 under chapter 326.

78 9 7. If the vehicle was leased and an affidavit was filed by
78 10 the lessor or the lessee as provided in section 321.46, the
78 11 lessor or the lessee, as applicable, may make a claim for a
78 12 refund with the county treasurer of the county where the
78 13 vehicle was registered within six months of the vehicle's
78 14 surrender to the lessor. The refund shall be paid to either
78 15 the lessor or the lessee, as specified on the application for
78 16 title and registration pursuant to section 321.20.

78 17 8. If the owner of the vehicle moves out of state, the
78 18 owner may make a claim for a refund by returning the Iowa
78 19 registration plates, along with evidence of the vehicle's
78 20 registration in another jurisdiction, to the county treasurer

78 21 of the county in which the vehicle was registered within six
78 22 months of the out-of-state registration. For purposes of
78 23 section 321.127, the unexpired months remaining in the
78 24 registration year shall be calculated on the basis of the
78 25 effective date of the out-of-state registration. However, for
78 26 the purpose of timely issuance of the refund, the claim for a
78 27 refund under this subsection is considered to be filed on the
78 28 date the registration documents are received by the county
78 29 treasurer.

78 30 9. Notwithstanding any provision of this section to the
78 31 contrary, there shall be no refund of proportional
78 32 registration fees unless the state which issued the base plate
78 33 for the vehicle allows such refund. If an owner subject to
78 34 proportional registration leases the vehicle for which the
78 35 refund is sought, the claim shall be filed in the names of
79 1 both the lessee and the lessor and the refund payment made
79 2 payable to both the lessor and the lessee. The term "owner"
79 3 for purposes of this section shall include a person in whom is
79 4 vested right of possession or control of a vehicle which is
79 5 subject to a lease, contract, or other legal arrangement
79 6 vesting right of possession or control in addition to the term
79 7 as defined in section 321.1, subsection 49.

79 8 Sec. 98. Section 321.127, subsection 1, Code 2007, is
79 9 amended to read as follows:

79 10 1. The refund of the annual registration fee for vehicles
79 11 shall be computed on the basis of the number of unexpired
79 12 months remaining in the registration year from date of filing
79 13 of the claim for refund with the county treasurer, computed to
79 14 the nearest dollar.

79 15 Sec. 99. Section 321.132, Code 2007, is amended to read as
79 16 follows:

79 17 321.132 WHEN LIEN ATTACHES.

79 18 The lien of the original annual registration fee attaches,
79 19 at the time the fee is first payable, as provided by law, and
79 20 the lien of all renewals of registration attach on the first
79 21 day of each succeeding registration year.

79 22 Sec. 100. Section 321.134, Code Supplement 2007, is
79 23 amended to read as follows:

79 24 321.134 MONTHLY PENALTY.

79 25 1. On the first day of the second month following the
79 26 beginning of each registration year a penalty of five percent
79 27 of the annual registration fee shall be added to the annual
79 28 registration fees not paid by that date and an additional
79 29 penalty of five percent shall be added the first day of each
79 30 succeeding month, until the fee is paid. A penalty shall not
79 31 be less than five dollars. If the owner of a vehicle
79 32 surrenders the registration plates for a vehicle prior to the
79 33 plates becoming delinquent, to the county treasurer of the
79 34 county where the vehicle is registered, or to the department
79 35 if the vehicle is registered under chapter 326, the owner may
80 1 register the vehicle any time thereafter upon payment of the
80 2 annual registration fee for the registration year without
80 3 penalty. The penalty on vehicles registered under chapter 326
80 4 shall accrue February 1 of each year. To avoid a penalty or
80 5 an additional penalty in the case of a delinquent
80 6 registration, if the last calendar day of a month falls on
80 7 Saturday, Sunday, or a holiday, the payment deadline is
80 8 extended to include the first business day of the following
80 9 month. For payments made through a county treasurer's
80 10 authorized website only, if the last day of the month falls on
80 11 a Saturday, Sunday, or a holiday, the electronic payment must
80 12 be initiated by midnight on the first business day of the next
80 13 month. All other electronic payments must be initiated by
80 14 midnight on the last day of the month preceding the delinquent
80 15 date.

80 16 2. The annual registration fee for trucks, truck tractors,
80 17 and road tractors, as provided in sections 321.121 and
80 18 321.122, may be payable in two equal semiannual installments
80 19 if the annual registration fee exceeds the annual registration
80 20 fee for a vehicle with a gross weight exceeding five tons.
80 21 The penalties provided in subsection 1 shall be computed on
80 22 the amount of the first installment only and on the first day
80 23 of the seventh month of the registration period the same rate
80 24 of penalty shall apply to the second installment, until the
80 25 fee is paid. Semiannual installments do not apply to
80 26 commercial vehicles, as defined under section 326.2, subject
80 27 to proportional registration, with a base state other than the
80 28 state of Iowa, as defined in section 326.2, subsection 1. The
80 29 penalty on vehicles registered under chapter 326 accrues
80 30 August 1 of each year except as provided in section 326.6.
80 31 The department shall not allow the annual registration fee for

80 32 a commercial vehicle registered under chapter 326 to be paid
80 33 in two equal semiannual installments for five years after the
80 34 registrant has paid the annual registration fee late for two
80 35 consecutive years.

81 1 3. If a penalty applies to ~~a~~ an annual vehicle
81 2 registration fee provided for in sections 321.121 and 321.122,
81 3 the same penalty shall be assessed on the fees collected to
81 4 increase the registered gross weight of the vehicle, if the
81 5 increased gross weight is requested within forty-five days
81 6 from the date the delinquent vehicle is registered for the
81 7 current registration period.

81 8 4. Notwithstanding subsections 1 through 3, if a vehicle
81 9 registration is delinquent for twenty-four months or more, a
81 10 flat penalty and fee shall be assessed for the delinquent
81 11 period in addition to the current annual registration fee.
81 12 The flat penalty and fee shall be one hundred fifty percent of
81 13 the current annual registration fee.

81 14 5. The department shall waive the penalties imposed by
81 15 this section for an owner who is in the military service of
81 16 the United States and who has been relocated as a result of
81 17 being placed on active duty on or after September 11, 2001.
81 18 The department shall adopt rules to implement this subsection,
81 19 including, if necessary, procedures for refunding penalties
81 20 collected prior to March 29, 2004.

81 21 Sec. 101. Section 321.135, Code 2007, is amended to read
81 22 as follows:
81 23 321.135 WHEN FEES DELINQUENT.
81 24 Except as otherwise provided, ~~delinquencies begin annual~~
81 25 registration fees become delinquent and penalties accrue the
81 26 first of the month following the purchase of a new vehicle,
81 27 and thirty days following the date a vehicle is brought into
81 28 the state.

81 29 Sec. 102. Section 321.151, Code 2007, is amended to read
81 30 as follows:
81 31 321.151 DUTY AND LIABILITY OF TREASURER.
81 32 The county treasurer shall collect the registration fee,
81 33 the fee for new registration, and penalties on each vehicle
81 34 registered by the county treasurer and shall be responsible on
81 35 the county treasurer's bond for such amount. The county
82 1 treasurer shall remit such amount to the treasurer of state as
82 2 provided in this chapter. Fees collected pursuant to
82 3 participation in county issuance of driver's licenses under
82 4 chapter 321M shall be governed by the provisions of that
82 5 chapter.

82 6 Sec. 103. Section 321.152, subsection 1, Code 2007, is
82 7 amended to read as follows:
82 8 1. Four percent of the total collection, excluding the
82 9 amount of any fee for new registration, for each annual or
82 10 semiannual vehicle registration and each duplicate
82 11 registration card or plate issued.

82 12 Sec. 104. Section 321.152, Code 2007, is amended by adding
82 13 the following new subsection:
82 14 NEW SUBSECTION. 5. One dollar from each fee for new
82 15 registration collected pursuant to section 321.105A.

82 16 Sec. 105. Section 321.159, Code 2007, is amended to read
82 17 as follows:
82 18 321.159 EXCEPTIONAL CASES == ANNUAL REGISTRATION FEE.
82 19 The department shall have the power to fix the annual
82 20 registration fee on all makes and models of motor vehicles
82 21 which are not now being furnished or upon which the statement
82 22 from the factory cannot be obtained.

82 23 For a current year model of a motor vehicle for which the
82 24 manufacturer or importer of the motor vehicle has not provided
82 25 the weight and list price, the department shall set the annual
82 26 registration fee at ten dollars greater than the annual
82 27 registration fee for the previous year model. Once the
82 28 manufacturer or importer provides the required information,
82 29 the information shall be used to set the annual registration
82 30 fee or the registration renewal fee for the succeeding
82 31 registration or registration renewal time for the motor
82 32 vehicle.

82 33 Sec. 106. Section 321.170, Code 2007, is amended to read
82 34 as follows:
82 35 321.170 PLATES FOR EXEMPT VEHICLES.
83 1 The department shall furnish, on application, free of
83 2 charge, distinguishing plates for motor vehicles exempted from
83 3 ~~a~~ annual registration ~~fee~~ fees and shall keep a separate
83 4 record thereof.

83 5 Sec. 107. Section 322G.4, subsection 2, unnumbered
83 6 paragraph 2, Code 2007, is amended to read as follows:
83 7 Refunds shall be made to the consumer and lienholder of

83 8 record, if any, as their interests appear. If applicable,
83 9 refunds shall be made to the lessor and lessee as follows:
83 10 the lessee shall receive the lessee's cost less a reasonable
83 11 offset for use, and the lessor shall receive the lease price
83 12 less the aggregate deposit and rental payments previously paid
83 13 to the lessor for the leased vehicle. If it is determined
83 14 that the lessee is entitled to a refund pursuant to this
83 15 chapter, the consumer's lease agreement with the lessor is
83 16 terminated upon payment of the refund and no penalty for early
83 17 termination shall be assessed. The department of revenue
83 18 shall refund to the manufacturer any use tax or fee for new
~~83 19 registration~~ which the manufacturer refunded to the consumer,
83 20 lessee, or lessor under this section, if the manufacturer
83 21 provides to the department of revenue a written request for a
83 22 refund and evidence that the use tax or fee for new
~~83 23 registration~~ was paid when the vehicle was purchased and that
83 24 the manufacturer refunded the use tax or fee for new
~~83 25 registration~~ to the consumer, lessee, or lessor.

83 26 Sec. 108. Section 322G.12, unnumbered paragraph 1, Code
83 27 2007, is amended to read as follows:

83 28 A manufacturer who accepts the return of a motor vehicle
83 29 pursuant to a settlement, determination, or decision under
83 30 this chapter shall notify the state department of
83 31 transportation, report the vehicle identification number of
83 32 that motor vehicle within ten days after the acceptance, and
83 33 obtain a new certificate of title for the vehicle in the
83 34 manufacturer's name pursuant to section 321.46. In obtaining
83 35 a new certificate of title, the manufacturer shall title the
84 1 vehicle in the county of the transferor's residence and shall
84 2 be exempt from the registration fee requirements of section
84 3 321.46. ~~For purposes of chapter 423, a manufacturer's~~
~~84 4 acceptance of the return of a motor vehicle, as described in~~
~~84 5 this section, shall not be considered "use", as defined in~~
~~84 6 section 423.1 and the fee for new registration under section~~
~~84 7 321.105A.~~ The new certificate of title, and all subsequent
84 8 registration receipts and certificates of title issued for the
84 9 motor vehicle, shall contain a designation indicating that the
84 10 motor vehicle was returned to the manufacturer pursuant to
84 11 this chapter or a similar law of another state. The state
84 12 department of transportation shall determine the manner in
84 13 which the designation is to be indicated on registration
84 14 receipts and certificates of title and may determine that a
84 15 "REBUILT" or "SALVAGE" designation supersedes the designation
84 16 required by this paragraph and include the "REBUILT" or
84 17 "SALVAGE" designation on the registration receipt and
84 18 certificate of title in lieu of the designation required by
84 19 this paragraph.

84 20 Sec. 109. Section 326.2, Code 2007, is amended by adding
84 21 the following new subsection:
84 22 NEW SUBSECTION. 11A. "Registration fee" means the annual
84 23 motor vehicle registration fee imposed pursuant to section
84 24 321.105, unless otherwise specified.

84 25 Sec. 110. Section 327I.26, Code 2007, is amended to read
84 26 as follows:

84 27 327I.26 APPROPRIATION TO AUTHORITY.

~~84 28 Notwithstanding section 423.43, and prior to the~~
~~84 29 application of section 423.43, subsection 1, paragraph "b",~~
~~84 30 there~~ There shall be deposited into the general fund of the
84 31 state and is appropriated to the authority from ~~eighty percent~~
~~84 32 of the revenues derived from the operation of section 423.26~~
~~84 33 the statutory allocations fund created under section 321.145,~~
~~84 34 subsection 2,~~ the amounts certified by the authority under

84 35 section 327I.25. However, the total amount deposited into the
85 1 general fund and appropriated to the Iowa railway finance
85 2 authority under this section shall not exceed two million
85 3 dollars annually. Moneys appropriated to the Iowa railway
85 4 finance authority under this section are appropriated only for
85 5 the payment of principal and interest on obligations or the
85 6 payment of leases guaranteed by the authority as provided
85 7 under section 327I.25.

85 8 Sec. 111. Section 331.557, subsection 3, Code 2007, is
85 9 amended to read as follows:

85 10 3. Collect the use tax on vehicles subject ~~to registration~~
85 11 only to a certificate of title and on manufactured housing as
85 12 provided in sections section 423.147 and section 423.26, and
~~85 13 423.27, subsection 1.~~

85 14 Sec. 112. Section 423.5, subsection 3, Code 2007, is
85 15 amended to read as follows:

85 16 3. The use of leased vehicles, if the lease transaction
85 17 does not require titling or registration of the vehicle, on
85 18 the amount subject to tax as calculated pursuant to section

85 19 ~~423.27~~ 423.26, subsection 2.
85 20 Sec. 113. Section 423.36, subsection 8, paragraph b,
85 21 subparagraph (2), Code 2007, is amended to read as follows:
85 22 (2) Taxes imposed under ~~sections~~ section 423.26 ~~and 423.27~~
85 23 and chapter 423C.
85 24 Sec. 114. Section 423.57, Code Supplement 2007, is amended
85 25 to read as follows:
85 26 423.57 STATUTES APPLICABLE.
85 27 The director shall administer this subchapter as it relates
85 28 to the taxes imposed in this chapter in the same manner and
85 29 subject to all the provisions of, and all of the powers,
85 30 duties, authority, and restrictions contained in sections
85 31 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
85 32 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
85 33 423.32, 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,
85 34 423.40, 423.41, and 423.42, section 423.43, subsection ~~3~~ 1,
85 35 and sections 423.45, 423.46, and 423.47.
86 1 Sec. 115. Section 423B.4, unnumbered paragraphs 2 and 3,
86 2 Code 2007, are amended to read as follows:
86 3 Payment of a local vehicle tax shall be evidenced by a
86 4 notation on the state registration certificate. The director
86 5 of the department of transportation shall prescribe by rule
86 6 the type of notation. A local vehicle tax shall not be
86 7 refunded even when annual state registration fees are
86 8 refunded.
86 9 Penalties for late payment which are comparable to the
86 10 penalties for late payment of annual state registration fees
86 11 shall be imposed by the ordinance imposing a local vehicle
86 12 tax. Willful violation of a local vehicle tax ordinance is a
86 13 simple misdemeanor.
86 14 Sec. 116. Section 455D.11C, subsection 1, Code 2007, is
86 15 amended to read as follows:
86 16 1. A waste tire management fund is created within the
86 17 state treasury. ~~Moneys For the fiscal year beginning July 1,~~
86 18 ~~2002, through the fiscal year beginning July 1, 2006, moneys~~
86 19 received from each five dollar surcharge on the issuance of a
86 20 certificate of title shall be deposited as provided in section
86 21 321.52A, ~~subsection 2~~ Code 2007. Notwithstanding section
86 22 8.33, any unexpended balance in the fund at the end of each
86 23 fiscal year shall be retained in the fund. Notwithstanding
86 24 section 12C.7, any interest or earnings on investments from
86 25 moneys in the fund shall be credited to the fund. Moneys from
86 26 the fund that are expended by the department in closing or
86 27 bringing into compliance a waste tire collection site pursuant
86 28 to section 455D.11A and later recouped by the department shall
86 29 be credited to the fund.
86 30 Sec. 117. Section 455G.3, subsection 1, Code 2007, is
86 31 amended to read as follows:
86 32 1. The Iowa comprehensive petroleum underground storage
86 33 tank fund is created as a separate fund in the state treasury,
86 34 and any funds remaining in the fund at the end of each fiscal
86 35 year shall not revert to the general fund but shall remain in
87 1 the Iowa comprehensive petroleum underground storage tank
87 2 fund. Interest or other income earned by the fund shall be
87 3 deposited in the fund. The fund shall include moneys credited
87 4 to the fund under this section, section ~~423.43~~ 321.145,
87 5 subsection ~~2~~, paragraph "a", and sections 455G.8, 455G.9,
87 6 and 455G.11, Code 2003, and other funds which by law may be
87 7 credited to the fund. The moneys in the fund are appropriated
87 8 to and for the purposes of the board as provided in this
87 9 chapter. Amounts in the fund shall not be subject to
87 10 appropriation for any other purpose by the general assembly,
87 11 but shall be used only for the purposes set forth in this
87 12 chapter. The treasurer of state shall act as custodian of the
87 13 fund and disburse amounts contained in it as directed by the
87 14 board including automatic disbursements of funds as received
87 15 pursuant to the terms of bond indentures and documents and
87 16 security provisions to trustees and custodians. The treasurer
87 17 of state is authorized to invest the funds deposited in the
87 18 fund at the direction of the board and subject to any
87 19 limitations contained in any applicable bond proceedings. The
87 20 income from such investment shall be credited to and deposited
87 21 in the fund. The fund shall be administered by the board
87 22 which shall make expenditures from the fund consistent with
87 23 the purposes of the programs set out in this chapter without
87 24 further appropriation. The fund may be divided into different
87 25 accounts with different depositories as determined by the
87 26 board and to fulfill the purposes of this chapter.
87 27 Sec. 118. Section 455G.6, subsection 4, Code 2007, is
87 28 amended to read as follows:
87 29 4. Grant a mortgage, lien, pledge, assignment, or other

87 30 encumbrance on one or more improvements, revenues, asset of
87 31 right, accounts, or funds established or received in
87 32 connection with the fund, including revenues derived from the
87 33 ~~use tax moneys credited~~ under section ~~423.43~~ 321.145,
87 34 subsection ~~±~~ 2, paragraph "a", and deposited in the fund or an
87 35 account of the fund.

88 1 Sec. 119. Section 455G.8, subsection 2, Code 2007, is
88 2 amended to read as follows:

88 3 2. ~~USE TAX STATUTORY ALLOCATIONS FUND. The revenues~~
~~88 4 derived from the use tax imposed under chapter 423, subchapter~~
~~88 5 III. The proceeds of the use tax moneys credited from the~~
~~88 6 statutory allocations fund under section 423.43 321.145,~~
88 7 subsection ~~±~~ 2, paragraph "a", shall be allocated, consistent
88 8 with this chapter, among the fund's accounts, for debt service
88 9 and other fund expenses, according to the fund budget,
88 10 resolution, trust agreement, or other instrument prepared or
88 11 entered into by the board or authority under direction of the
88 12 board.

88 13 Sec. 120. Section 321.115, subsection 1, as enacted by
88 14 2007 Iowa Acts, chapter 143, section 12, is amended to read as
88 15 follows:

88 16 1. A motor vehicle twenty-five years old or older may be
88 17 registered as an antique vehicle ~~upon payment of. The annual~~
~~88 18 registration fee is~~ the fee provided for in section 321.113,
88 19 321.122, or 321.124. The owner of a motor vehicle registered
88 20 under this subsection may display authentic Iowa registration
88 21 plates from the model year of the motor vehicle, furnished by
88 22 the person and approved by the department, in lieu of the
88 23 current and valid Iowa registration plates issued for the
88 24 vehicle, provided that the current and valid Iowa registration
88 25 plates and the registration card issued for the vehicle are
88 26 simultaneously carried within the vehicle and are available
88 27 for inspection to any peace officer upon the officer's
88 28 request.

88 29 Sec. 121. Section 321.173, as amended by 2008 Iowa Acts,
88 30 House File 2213, is amended by adding the following new
88 31 subsection:

88 32 NEW SUBSECTION. 3. This section does not apply to the fee
88 33 for new registration administered by the department of revenue
88 34 pursuant to section 321.105A.

88 35 Sec. 122. 2007 Iowa Acts, chapter 179, section 6, is
89 1 amended to read as follows:

89 2 SEC. 6. Section 423.57, Code 2007, as amended by this Act,
89 3 is amended to read as follows:

89 4 423.57 STATUTES APPLICABLE.

89 5 The director shall administer this subchapter as it relates
89 6 to the taxes imposed in this chapter in the same manner and
89 7 subject to all the provisions of, and all of the powers,
89 8 duties, authority, and restrictions contained in sections
89 9 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
89 10 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
89 11 423.32, 423.33, 423.34, 423.34A, 423.35, 423.37, 423.38,
89 12 423.39, 423.40, 423.41, and 423.42, section 423.43, subsection
89 13 ~~±~~ 1, and sections 423.45, 423.46, and 423.47.

89 14 Sec. 123. Section 423.44, Code 2007, is repealed.

89 15 Sec. 124. PRIOR USE TAX LIABILITY. The enactment of this
89 16 division of this Act does not affect a person's liability for
89 17 any use tax, penalty, or interest owed by the person prior to
89 18 the effective date of this division of this Act.

89 19 Sec. 125. EFFECTIVE DATE. The following sections of this
89 20 division of this Act take effect January 1, 2009:

89 21 1. The section amending section 321.115, subsection 1, as
89 22 enacted by 2007 Iowa Acts, chapter 143, section 12.

89 23 2. The section amending 2007 Iowa Acts, chapter 179.

89 24 EXPLANATION

89 25 This bill increases registration fees charged for certain
89 26 motor vehicles, fees charged for certificates of title, and
89 27 trailer registration fees and appropriates the additional
89 28 revenues to the transportation investment moves the economy in
89 29 the twenty-first century (TIME=21) fund. The bill also
89 30 replaces the use tax on vehicles with a registration fee
89 31 imposed at the time of application for registration and a
89 32 certificate of title. The bill contains additional related
89 33 provisions.

89 34 DIVISION I == MOTOR VEHICLES. The bill requires the
89 35 treasurer of state, prior to distributing moneys under the
90 1 road use tax fund formula, to credit to the TIME=21 fund the
90 2 amount collected from annual motor vehicle registration fees
90 3 that is in excess of \$392 million annually. The provision
90 4 crediting revenues to the TIME=21 fund is repealed, and the
90 5 revenues will revert to the road use tax fund, on June 30,

90 6 2028. Pursuant to current law, the TIME=21 fund is scheduled
90 7 to be dissolved on that date.

90 8 The bill requires that most 2010 and newer model year motor
90 9 trucks with an unladen weight of 10,000 pounds or less be
90 10 registered for a fee based on the weight and value of the
90 11 vehicle. Currently, such trucks are registered for flat fees
90 12 based on combined gross weight. Under the bill,
90 13 business=trade trucks will continue to be registered for flat
90 14 fees. The bill defines "business=trade truck" as a motor
90 15 truck with an unladen weight of 10,000 pounds or less which is
90 16 owned by a corporation, limited liability company, or
90 17 partnership or by a person who files a schedule C or schedule
90 18 F form for federal tax purposes and which is eligible for
90 19 depreciation for federal tax purposes. In the case of a
90 20 leased truck, the lessee must be a corporation, limited
90 21 liability company, or partnership or a person who files a
90 22 schedule C or schedule F form for tax purposes and the truck
90 23 must be used primarily for business or farm operations. A
90 24 person who registers a vehicle as a business=trade truck shall
90 25 be required to provide proof or affirm that the vehicle meets
90 26 the qualifications for such registration. Special
90 27 registration plates shall be issued that distinguish
90 28 business=trade trucks from trucks that are subject to regular
90 29 registration fees based on weight and value. A person who
90 30 registers a vehicle as a business=trade truck that is not
90 31 qualified for the registration shall be required to pay the
90 32 difference between the registration fees paid and the
90 33 registration fees owed for each year of violation. In
90 34 addition, if the person knowingly registered the vehicle
90 35 improperly as a business=trade truck, a penalty is imposed in
91 1 the amount of \$750 for each year of improper registration, up
91 2 to a maximum of \$2,250. County treasurers may retain 25
91 3 percent of the moneys collected from such penalties, with the
91 4 remainder accruing to the road use tax fund. Penalties
91 5 provided under existing law may also apply. Currently, a
91 6 person who knowingly falsifies a registration application is
91 7 guilty of a fraudulent practice. The penalties for fraudulent
91 8 practice are determined by the amount of money involved,
91 9 ranging from a simple misdemeanor for amounts of \$200 or less
91 10 to a class "C" felony for amounts in excess of \$10,000.

91 11 Passenger vehicles are registered for a fee that is based
91 12 on the weight and value of the vehicle: 1 percent of the
91 13 vehicle's value plus 40 cents for each 100 pounds of weight of
91 14 the vehicle. Currently, the amount of the fee that is based
91 15 on value is reduced to 75 percent of the rate as fixed when
91 16 the vehicle was new if the vehicle is more than five model
91 17 years old and 50 percent if the vehicle is more than six model
91 18 years old. When the vehicle is nine model years old or older,
91 19 the registration fee drops to \$35. In addition, certain older
91 20 vehicles that fall under prior fee schedules pay more modest
91 21 fees of \$16, \$23, or \$27. The bill provides an expanded
91 22 schedule for fee reductions as follows: When the vehicle is
91 23 more than seven model years old, the amount of the fee based
91 24 on value is 75 percent of the rate as fixed when the vehicle
91 25 was new; when the vehicle is more than nine model years old,
91 26 that amount is 50 percent; when the vehicle is 12 model years
91 27 old or older, the fee drops to \$50. However, under the bill,
91 28 if the registration fee under the new rate schedule is higher
91 29 than the owner paid for the same vehicle in the previous
91 30 registration year, the fee will be the fee from the previous
91 31 year. The owner of a vehicle currently paying a fee of less
91 32 than \$50 will continue to pay that lower fee for as long as
91 33 they own the vehicle. The fee for a vehicle registered by the
91 34 owner as an antique vehicle prior to January 1, 2009, will be
91 35 \$23 for model years 1970=1983 and \$16 for model years 1969 and
92 1 older.

92 2 Fees for special trucks for farm use, which are registered
92 3 for a gross weight of six tons through 32 tons, are increased
92 4 under the bill. For a gross weight of six tons, the fee is
92 5 increased from \$80 to \$100; for a gross weight of seven tons,
92 6 from \$100 to \$125; and for a gross weight of eight tons, from
92 7 \$120 to \$155. Fees for special trucks with a gross weight of
92 8 nine through 18 tons are established as follows: nine tons,
92 9 \$170; 10 tons, \$190; 11 tons, \$205; 12 tons, \$225; 13 tons,
92 10 \$245; 14 tons, \$265; 15 tons, \$280; 16 tons, \$295; 17 tons,
92 11 \$305; and 18 tons, \$315. The fees apply for vehicles
92 12 registered by a new owner for a 2009 or subsequent
92 13 registration year. Current owners will continue to pay
92 14 current fees for as long as they own their vehicles.

92 15 The bill also revises the flat fee schedule for motor
92 16 trucks registered for a combined gross weight, including

92 17 business=trade trucks. For a combined gross weight of three
92 18 tons or less, the fee is increased from \$65 to \$150. When the
92 19 motor vehicle is more than seven model years old, the fee is
92 20 \$120; more than nine model years old, \$100; and 12 model years
92 21 old or older, \$50. Registration fees for a combined gross
92 22 weight exceeding three tons and up to nine tons are increased
92 23 as follows: For more than three tons but not more than four
92 24 tons, the fee is increased from \$80 to \$165; for more than
92 25 four tons but not more than five tons, from \$90 to \$180; for
92 26 more than five tons but not more than six tons, from \$105 to
92 27 \$195; for more than six tons but not more than seven tons,
92 28 from \$130 to \$215; for more than seven tons but not more than
92 29 eight tons, from \$165 to \$220; and for more than eight tons
92 30 but not more than nine tons, from \$200 to \$225. The new fees
92 31 apply for vehicles registered by a new owner for a 2009 or
92 32 subsequent registration year. Current owners will continue to
92 33 pay current fees for as long as they own the vehicle.
92 34 This division of the bill takes effect January 1, 2009, and
92 35 applies to vehicles registered for registration years
93 1 beginning in 2009 and thereafter.

93 2 DIVISION II == TITLE FEES. The bill increases the fee
93 3 charged for issuance of a certificate of title for a motor
93 4 vehicle or trailer from \$10 to \$20. The fees for a salvage
93 5 certificate of title and for a motor vehicle returned to a
93 6 manufacturer are increased from \$2 to \$10.

93 7 The bill requires the treasurer of state, prior to
93 8 distributing moneys under the road use tax fund formula, to
93 9 credit monthly to the TIME=21 fund an amount equal to the
93 10 revenues attributable to the increase in title fees under the
93 11 bill. The provision crediting revenues to the TIME=21 fund is
93 12 repealed and new revenues will revert to the road use tax fund
93 13 on June 30, 2028. Pursuant to current law, the TIME=21 fund
93 14 is scheduled to be dissolved on that date.

93 15 This division of the bill takes effect January 1, 2009.

93 16 DIVISION III == TRAILER REGISTRATION FEES. The bill
93 17 increases the fee charged for registration of trailers.
93 18 Currently, most trailers other than farm trailers and trailers
93 19 registered for the combined gross weight of the vehicle are
93 20 subject to a \$10 registration fee. The bill increases the fee
93 21 to \$20 for such trailers with an empty weight of 2,000 pounds
93 22 or less, and \$30 for such trailers with an empty weight in
93 23 excess of 2,000 pounds. The registration fee for travel
93 24 trailers and fifth-wheel travel trailers, which is based on
93 25 square footage, is increased from 20 cents to 30 cents per
93 26 square foot.

93 27 The bill requires the treasurer of state, prior to
93 28 distributing moneys under the road use tax fund formula, to
93 29 credit monthly to the TIME=21 fund an amount equal to the
93 30 revenues attributable to the increase in trailer registration
93 31 fees under the bill. The provision crediting revenues to the
93 32 TIME=21 fund is repealed and new revenues will revert to the
93 33 road use tax fund on June 30, 2028. Pursuant to current law,
93 34 the TIME=21 fund is scheduled to be dissolved on that date.

93 35 This division of the bill takes effect January 1, 2009, and
94 1 applies to trailers registered for registration years
94 2 beginning in 2009 and thereafter.

94 3 DIVISION IV == TIME=21 FUNDING ANALYSIS. The bill requires
94 4 the department of transportation to analyze additional
94 5 revenues necessary to provide at least \$200 million annually
94 6 to the TIME=21 fund by FY 2011=2012, including an analysis of
94 7 sources of revenue to create a balance of taxes and fees paid
94 8 by Iowa drivers and out-of-state drivers. A report of the
94 9 analysis is required to be submitted to the governor and the
94 10 general assembly on or before December 31, 2008.

94 11 The bill requires the department of transportation, in
94 12 cooperation with the office of energy independence and the
94 13 department of natural resources, to review current funding for
94 14 public transit and assess the sufficiency of that funding to
94 15 meet future needs. A report is required to be submitted to
94 16 the governor and the general assembly on or before December 1,
94 17 2009.

94 18 DIVISION V == MOTORCYCLE OPERATOR'S LICENSE FEE. The bill
94 19 increases the additional fee required for a license valid for
94 20 operation of a motorcycle from \$1 to \$2. Pursuant to current
94 21 law and as provided in the bill, revenues from those fees are
94 22 credited to the motorcycle rider education fund.

94 23 DIVISION VI == USE TAX ON MOTOR VEHICLES REPEALED == FEE
94 24 FOR NEW REGISTRATION IMPOSED. This division of the bill
94 25 eliminates the imposition of the use tax on motor vehicles
94 26 subject to registration and the use tax on leased motor
94 27 vehicles, provides alternate sources of revenue for purposes

94 28 currently funded from revenues derived from the motor vehicle
94 29 use tax, and establishes a one-time motor vehicle registration
94 30 fee called the "fee for new registration".

94 31 PART 1 == ROAD USE TAX FUND. Currently, there are several
94 32 purposes for which motor vehicle use taxes are allocated which
94 33 are not eligible under Iowa's constitution for funding from
94 34 motor vehicle registration fees. The bill directs that, prior
94 35 to allocation from the road use tax fund, an amount equal to
95 1 10 percent of the revenue collected from the fee for new
95 2 registration on vehicles other than leased motor vehicles is
95 3 to be credited monthly to the primary road fund to be used for
95 4 the commercial and industrial highway network. This continues
95 5 current funding levels for that purpose.

95 6 The remaining purposes currently funded from vehicle use
95 7 taxes will continue to be funded under the bill from revenue
95 8 sources that accrue to the road use tax fund but are not
95 9 constitutionally protected. Those sources include trailer
95 10 registration fees, fees from driver's licenses and
95 11 nonoperator's identification cards, title fees and the
95 12 certificate of title surcharge, revenues from the automobile
95 13 rental excise tax, and revenues from the use tax on mobile
95 14 homes and manufactured homes and on leased vehicles not
95 15 subject to registration and title. The bill creates a
95 16 statutory allocations fund under the control of the department
95 17 of transportation for deposit and distribution of those
95 18 revenues. Pursuant to current law, revenues from the
95 19 environmental protection charge on petroleum diminution are
95 20 deposited into the road use tax fund, and \$4.25 million is
95 21 credited quarterly from vehicle use tax moneys to the Iowa
95 22 comprehensive petroleum underground storage tank fund. The
95 23 bill directs the treasurer of state to credit that same amount
95 24 to the fund from the statutory allocations fund. After the
95 25 obligation to the Iowa petroleum underground storage tank fund
95 26 is met, moneys shall be credited in order of priority as
95 27 follows:

95 28 1. An amount equal to 4 percent of the revenue collected
95 29 from the fee for new registration on vehicles other than
95 30 leased vehicles is to be credited for purposes of public
95 31 transit assistance.

95 32 2. An amount equal to \$1 per year of license validity for
95 33 each issued or renewed driver's license valid for the
95 34 operation of a motorcycle shall be credited to the motorcycle
95 35 rider education fund. Under the bill, the amount credited
96 1 doubles to \$2 in conjunction with an increase in the fee in
96 2 another division of the bill.

96 3 3. Amounts required to be transferred from the sale of
96 4 special motor vehicle registration plates are to be credited
96 5 for the various purposes associated with those plates.

96 6 4. Amounts of up to \$2 million per year may be credited to
96 7 the railway finance authority for payments on obligations
96 8 certified by the authority and lease payments guaranteed by
96 9 the authority.

96 10 5. Amounts required for certain projects on bridges over
96 11 rivers bordering the state, which are not eligible for funding
96 12 from the road use tax fund, may be credited to the primary
96 13 road fund at the direction of the department of
96 14 transportation.

96 15 PART 2 == FEE FOR NEW VEHICLE REGISTRATION. The bill
96 16 establishes a new vehicle registration fee, referred to as the
96 17 "fee for new registration", which amounts to 5 percent of the
96 18 purchase price of a vehicle subject to registration, or 5
96 19 percent of the leased price for each vehicle subject to
96 20 registration with a gross vehicle weight rating of less than
96 21 16,000 pounds, excluding motorcycles and motorized bicycles,
96 22 which is leased for 12 months or more. The imposition of the
96 23 fee for new registration is subject to the same exemptions
96 24 currently applicable to the use tax on vehicles. The bill
96 25 provides that the computation of a vehicle's purchase price
96 26 for purposes of the fee for new registration mirrors the
96 27 computation of "sales price" under current use tax provisions.
96 28 The director of revenue, in consultation with the department
96 29 of transportation, shall administer and enforce the fee for
96 30 new registration as nearly as possible in conjunction with the
96 31 administration and enforcement of the use tax law.

96 32 The fee for new registration is payable to the county
96 33 treasurer at the time application is made for a new
96 34 registration and certificate of title for a vehicle. As is
96 35 currently the case with the vehicle use tax, the county
97 1 treasurer shall retain \$1 from the collection of a fee for new
97 2 registration, to be deposited in the county general fund. The
97 3 bill provides a mechanism for collection of the fee by

97 4 licensed vehicle dealers at the time a vehicle is purchased
97 5 and provisions for obtaining a refund of a fee. The bill
97 6 provides that a person who makes a false statement regarding
97 7 the purchase price of a vehicle commits a fraudulent practice
97 8 and is subject to the same penalties that applied for purposes
97 9 of the use tax on vehicles.

97 10 PART 3 == MOTOR VEHICLE USE TAX == REPEAL. The bill
97 11 repeals the use tax on vehicles subject to registration and
97 12 the motor vehicle lease tax, except for the tax on the use of
97 13 leased vehicles if the lease transaction does not require
97 14 titling and registration of the vehicle. The use tax on
97 15 vehicles subject only to a certificate of title, which applies
97 16 to mobile homes, and on manufactured homes is retained under
97 17 the bill. The resulting revenue may be used to supplement
97 18 funding sources for purposes currently funded by vehicle use
97 19 taxes, with the remainder to be deposited into the road use
97 20 tax fund.

97 21 PART 4 == CONFORMING AMENDMENTS. The bill contains
97 22 conforming amendments to the Code relating to the repeal of
97 23 the use tax on vehicles subject to registration and the
97 24 establishment of the fee for new registration.

97 25 LSB 6422SZ 82
97 26 dea/nh/24